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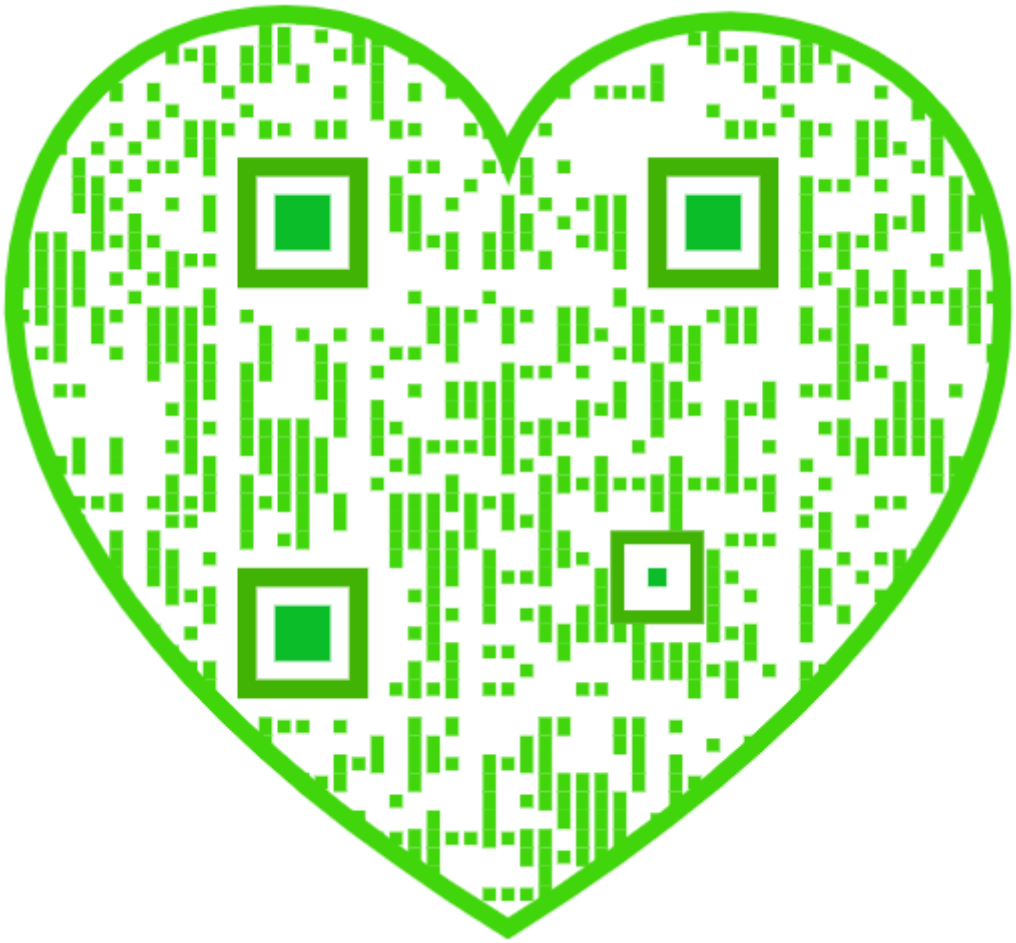

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CONTENTS OF REEL 187

1) The Tobacco world, v. 51, 1931
MNS# PSt SNPaAg187.1

2) The Tobacco world, v. 52, 1932
MNS# PSt SNPaAg187.2

Title: The Tobacco world, v. 51

Place of Publication: Philadelphia, Pa.

Copyright Date: 1931

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130 0 Tobacco world (Philadelphia, Pa.)
245 14 The Tobacco world
260 Philadelphia, [Pa. $bs.n.]
300 v. $bill. $c38 cm.
310 Monthly $bApr. 1936-
321 Weekly $b<1902>-1909
321 Semimonthly $bJan. 1910-Mar. 15, 1936
500 Description based on: Vol. 22, no. 1 (Jan. 1, 1902); title from caption
500 Published by Tobacco World Corp., Philadelphia, Pa., <19__>-
500 Some combined issues
500 "Devoted to the interests of importers, packers, leaf dealers, tobacco and cigar manufacturers and dealers."
500 Occasional missing and mutilated pages
515 Vol. 22, no. 38 (Sept. 17, 1902) mismarked as v. 22, no. 37; vol. 52, no. 14 (July 15, 1932) mismarked on cover as v. 54, no. 14
533 Microfilm $mv.22,no.1 (1902)-v.22,no.20 (1902),v.22,no.22 (1902)-v.22,no.33 (1902),v.22,no.35 (1902)-v.22,no.51 (1902),v.22,no.53 (1902)-v.24,no.42 (1904),v.24,no.44 (1904)-v.25,no.44 (1905),v.25,no.46 (1905)-v.26,no.42 (1906),v.26,no.44 (1906)-v.26,no.48 (1906),v.26,no.50 (1906),v.27,no.1 (1907)-v.28,no.11 (1908),v.28,no.13 (1908)-v.63,no.6 (1943),v.65,no.1 (1945)-v.65,no.12 (1945) $bUniversity Park, Pa. : $cPennsylvania State University $d1998 $e38 microfilm reels ; 35 mm. $f(USAIN state and local literature preservation project. Pennsylvania) $f(Pennsylvania agricultural literature on microfilm)
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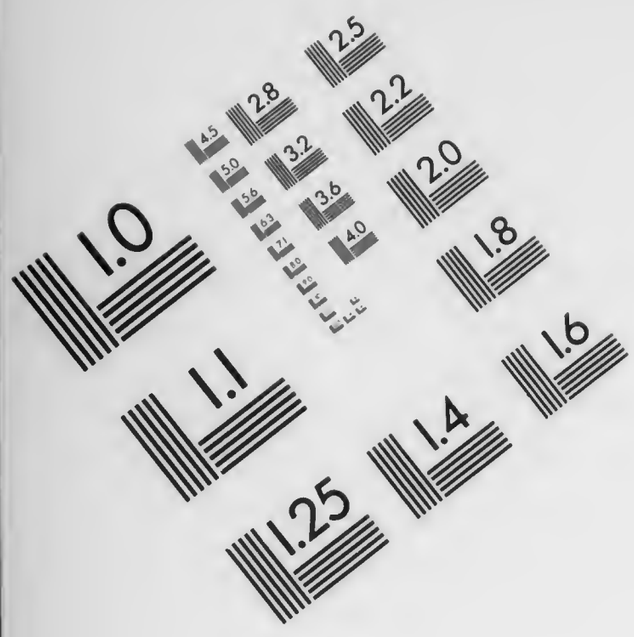

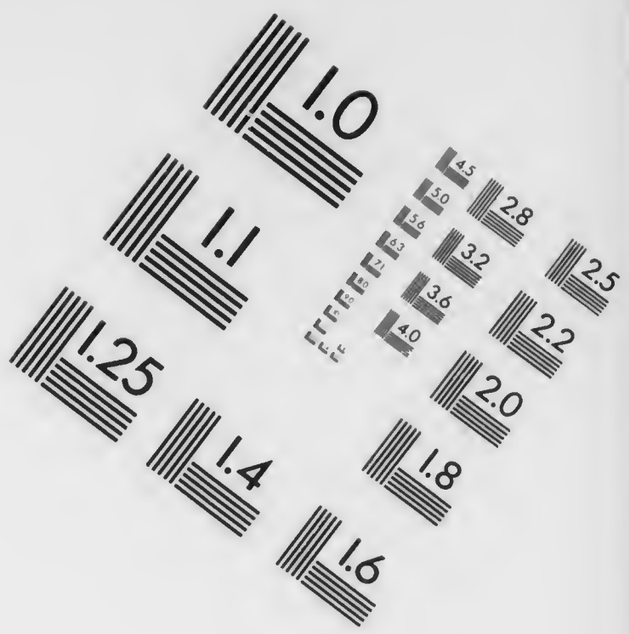

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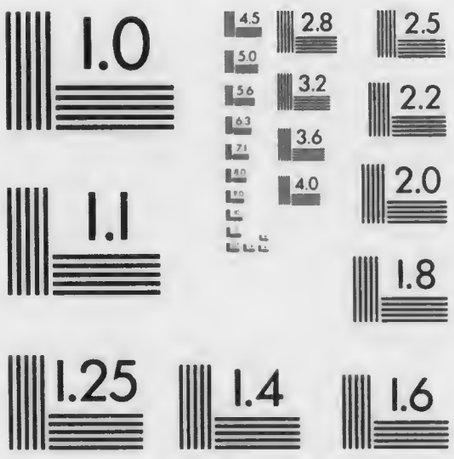

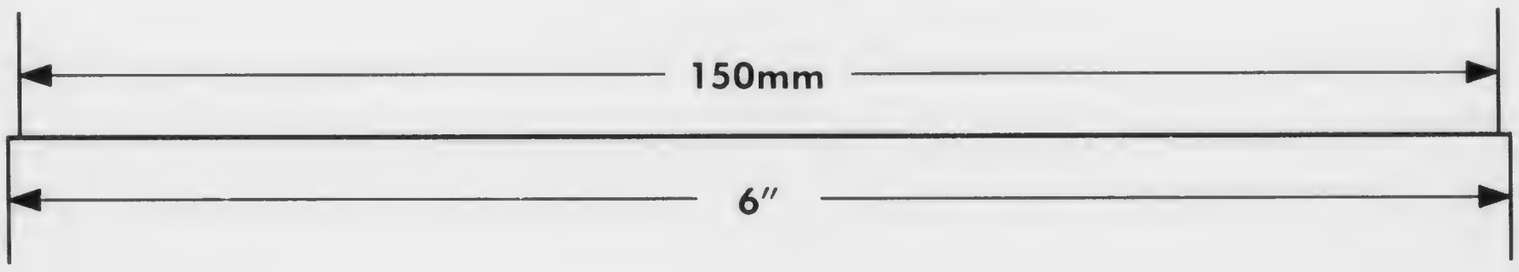

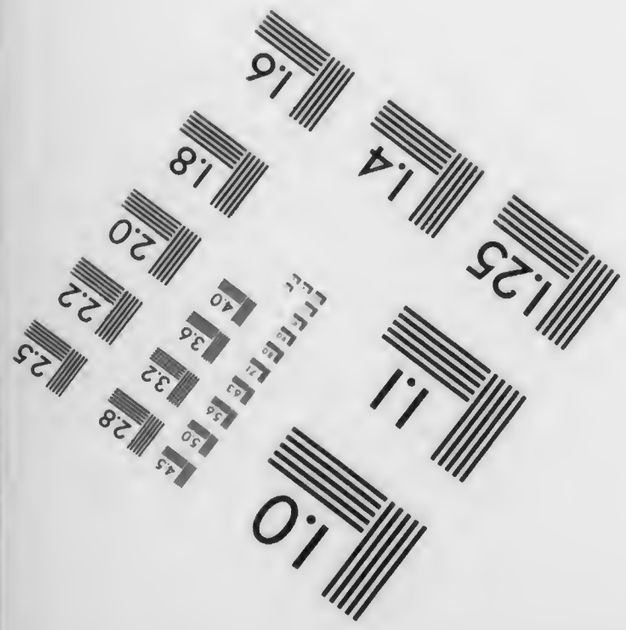

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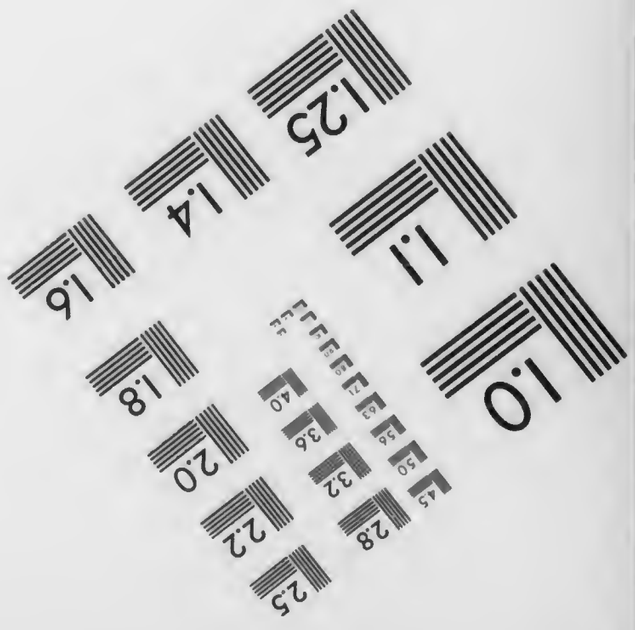

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Volume 51

1931

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JANUARY 1, 1931

VOLUME 51 No. 1

THE TOBACCO WORLD

Research Discloses No Economical Substitute For The Wooden Cigar Box

The new AUTOKRAFT wooden cigar box is the result of ceaseless research—research to provide the best possible container for cigars. The practical economies of this package are not matched by substitute containers.

Almost any cigar box looks all right when it comes to the packing room, but the appearance of the package and the condition of the merchandise when it reaches the retailer's counter or the smoker's library table is something else again.

The distinctive appearance of the AUTOKRAFT wrapped wooden cigar box creates additional advertising values; accuracy of dimensions and added strength of construction offer greater protection to the product; AUTOKRAFT methods of fabrication retain the freshness of the cigar as never before.

These are a few of the economies which users of AUTOKRAFT wooden cigar boxes enjoy. AUTOKRAFT wooden cigar boxes advertise and protect many of the leading cigar brands of this country.

May we tell you in detail about the economies of the new AUTOKRAFT wooden cigar box and the benefits of our nation wide service? Your inquiry will speed a representative to you.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio.
Kansas City, Mo.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

A Prosperous New Year to Everybody

At the beginning of the New Year we wish to express our appreciation of the co-operation and wholehearted support we have received during the year 1930 from the cigar manufacturers, jobbers and retailers.

The increased use of Wooden Cigar Boxes during the past year is sufficient evidence of the recognition that this form of packing cigars is superior to all other methods.

With a hearty wish for their great prosperity, we look forward to a bigger and better year in 1931.

WOODEN CIGAR BOX
BOOSTERS' CLUB

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

247414

Volume 51 — Number 1

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, JANUARY 1, 1931 — Foreign $3.50

MAR 1 4 1931

C. C. DULA PASSES AWAY

CALEB C. DULA, chairman of the board of Liggett & Myers Tobacco Company, died on December 25th of pneumonia at his home, 31 East Seventy-ninth Street, New York City. He had been in failing health for several months.

Mr. Dula was born at Lenoir, N. C., and with his brother, R. C. Dula, started the firm of Carr & Dula, at Wentzville, Mo., to which his family had migrated.

This venture was followed by work in association with the late J. B. Cobb at Danville, Va., after which he returned to Missouri as an officer of the Drummond Tobacco Company. The latter concern was eventually absorbed by the Continental Tobacco Company, a subsidiary of the American Tobacco Company, and Mr. Dula, at thirty-four, came to New York as department manager of the organization. Later he succeeded to the secretaryship and the vice-presidency of the Continental.

Mr. Dula was next made vice-president of the American Tobacco Company. When Liggett & Myers was formed in 1911 Mr. Dula assumed control as president. He remained in that position until 1927, when he became chairman of the board. His business activities lessened from that time and he was content with the chairmanship and a membership in the directorate of of the Guaranty Trust Company. He was a member of the Lotos Club.

Funeral services were held from Mr. Dula's late home on Saturday, December 27th, at 11 A. M., with interment in Sleepy Hollow Cemetery.

He was sixty-six years old, and is survived by his widow, Mrs. Julia Womack Dula, and a sister, Mrs. Laura D. English, of St. Louis.

PORTO RICAN CROP BELOW NORMAL

All crops in Porto Rico, excepting tobacco, have been favored by recent weather conditions, according to a radiogram received at Washington on December 12, from Trade Commissioner J. R. McKey, San Juan. The drought, which rather seriously interfered with the tobacco seedings, and the recent heavy rains will probably result in the tobacco crop being somewhat below normal in quantity and quality.

"LUCKY STRIKE" INCREASE 419,000,000

The American Tobacco Company has announced that sales of "Lucky Strike" cigarettes for the month of November, 1930, show an increase of more than 419,000,000 cigarettes over the same month of 1929, despite the fact that total cigarette production of all the producers in the United States shows a loss of more than 1,000,000,000 for the same period.

NOVEMBER FIGURES SHOW LOSS FOR ALL CLASSES

THE November, 1930, figures of production of tobacco products in the United States, recently released by the Internal Revenue Department at Washington, disclose the discouraging fact that all classes of cigars as well as all classes of manufactured tobacco show a loss as compared with the same month of 1929.

Class A cigars show a loss of 20,941,400; Class B, 17,716,910; Class C, 52,327,526; Class D, 2,192,549 and Class E, 1,632,060, making a total loss of all classes of cigars for November of 94,810,445.

Little cigars show a loss of 1,397,000, while cigarettes, which have been enjoying a steady increase for many months, show a loss of 1,089,454,303 for that month as compared with November, 1929. Large cigarettes record a loss of 406,980, and snuff, a loss of 335,436 pounds. Manufactured tobacco (chewing and smoking) records a loss of 2,030,754 pounds.

Cigars from Porto Rico show a loss of 770,068, while Manila cigars from the Philippines record the enviable increase of 1,658,161 for the month of November.

Total cigar production for the first eleven months of the calendar year 1929 shows a loss of 601,323,261, while cigarettes for the same period show a gain of 172,705,897. Little cigars decreased 34,252,108, while large cigarettes decreased 2,770,874. Snuff for the eleven months period gained 89,879 pounds while manufactured tobacco (chewing and snuff) decreased 10,100,197 pounds.

REUBEN GOLDSMITH DEAD

Reuben Goldsmith, one of the oldest leaf tobacco merchants on Water Street, New York City, passed away at his home in Brooklyn on December 21st, following an acute heart attack.

Mr. Goldsmith was head of the firm of R. Goldsmith & Son, and had been associated with the leaf tobacco industry for more than fifty-five years, having become associated with a leaf toabcco firm when he was sixteen years old.

Funeral services were held from his late residence in Brooklyn, on Monday, December 22d, with interment in Cypress Hills Cemetery.

He is survived by a daughter, Mrs. John T. McGowan, and one son, Reuben J., who will continue to carry on the business of the firm. He was seventy-one years old.

DUNHILL INTERNATIONAL

The directors of Dunhill International have omitted the quarterly dividend of twenty-five cents due at this time.

PHILADELPHIA.

BAYUK REPRESENTATIVES VISIT

TERRITORIAL representatives and branch managers of Bayuk Cigars, Inc., arrived at Bayuk headquarters, Ninth Street and Columbia Avenue, this week, for the annual sales conferences and the discussion of plans for 1931.

Among the territorial managers in attendance were: R. D. Harris, Des Moines, Ia.; W. E. Harris, Shreveport, La.; F. B. Mueller, Indianapolis, Ind.; C. O. McClure, Indianapolis, Ind.; Joseph L. Simms, Chicago, Ill.; A. C. Roy, Boston, Mass.; L. M. Tighe, Scranton, Pa.; M. Wolff, Milwaukee, Wis.; James P. Given, Buffalo, N. Y., and H. D. Soyster of Holidaysburg, Pa.

Among the branch managers were: John T. Rynn, Peoria, Ill.; H. Jacobs, Erie, Pa.; Elmer Lyon, St. Louis, Mo., and J. C. Coffing, of Dallas, Texas.

Bayuk Cigars, Inc., experienced a satisfactory year's business on their products, "Mapacuba," "Havana Ribbon," "Bayuk Philadelphia Cigar," "Charles Thomson," and their recently introduced "Tradition" brands.

Retailers and jobbers' stocks are low, following the holiday demand, and an early upward trend is anticipated in cigar demand for 1931. Indications point toward a much better cigar demand in January, 1931, than has been experienced in the past several years.

The excellent unselfish spirit evidenced in Bayuk Cigars' advertising during the past year has excited much favorable comment in the trade, and it would not be surprising if highly gratifying results should not be attained from this form of advertising during the coming year.

CONGRESS CLOSES A GOOD YEAR

At the Congress Cigar Company the last minute demand for rush shipments for holiday business from all parts of the country was a cause of real satisfaction, and also resulted in making a very satisfactory year's business for the "La Palina" brand.

Sales Manager, Willis Andruss, has returned from a visit to Buffalo where he spent the Christmas holidays with his mother, and has been busy during the last few days of the old year in conference with various branch managers discussing plans for the year 1931.

FRED SAUNDERS DIES SUDDENLY

THE many friends of Fred Saunders, connected with the Philadelphia office of the Mazer-Cressman Cigar Company, will be shocked to learn of his sudden death on Monday, December 29th.

Mr. Saunders had been playing bridge with a party of friends in his home at 3212 Huey Avenue, Drexel Hill, on the previous night and was apparently in good health and in good spirits.

Early the following morning when Mr. Saunders' chauffeur went into the cellar he discovered Mr. Saunders' body on the floor with a bullet wound in the right temple and a revolver nearby.

Police were reluctant to pronounce the case as suicide, and a thorough investigation will be made.

Joseph Garvett, general manager of the Mazer-Cressman Branch, 1711 Vine Street, stated that he knew of absolutely no reason why Mr. Saunders should take his own life, and he appeared in perfect health and spirits when he left the offices on Friday of last week.

Mr. Saunders had been with the Mazer-Cressman firm for more than seventeen years and was considered a successful executive and was well liked by all those who came in contact with him.

He is survived by his widow and two sons.

YAHN & McDONNELL HAS GOOD YEAR

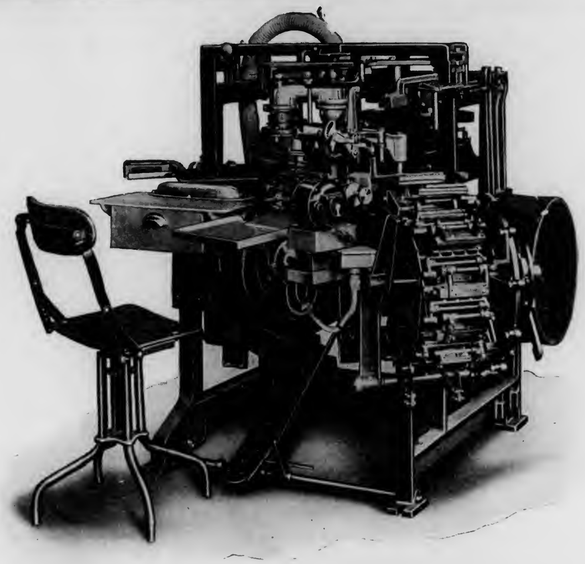
Yahn & McDonnell, distributors of cigars, tobacco products and smokers' accessories, report a highly satisfactory year.

As has been predicted in many quarters, there was a last minute rush for merchandise by the retailer, due to the deep feeling of pessimism which was so prevalent prior to the holiday season, but most of the retailers found that the old Christmas spirit was still in existence and that the holiday business on cigars and smokers' accessories was just about the equal this year of the previous years.

Among the leading brands of Yahn & McDonnell, "Optimo," "Blackstone" and "Antonio y Cleopatra" are away out in front with the "Antonio y Cleopatra" brand showing a fine increase this year as compared with the previous year.

While the final figures for the year 1930 are not complete, it is expected that the year will equal 1929 in sales volume.

The Model R Universal Automatic Cigar Rolling Machine



Is Designed to Work in Combination With any of the four Universal Bunch Making Machines Models L, S, S-2 and T.

$7,500

Convenient Time Payments in United States and Canada. Prices, F. O. B. Our Plant, Newark, N. J., U. S. A.

AFTER our long and continued success in the development of Cigar Making Machinery, starting with the Model M Universal Tobacco Stripping and Booking Machine, down to our latest, the Model S-2 Universal "Cross-Feed Type" Long Filler Bunch Making Machine, it was the next logical step that we should develop a machine that would complete the process and deliver the finished Machine-Made Cigar.

Before designing the Model R Universal Automatic Cigar Rolling Machine, a thorough investigation was made with a view to avoiding or correcting the faults existing in other Cigar Making Machines. The result is a compact machine, simple in operation, sturdy in construction, with a minimum number of parts all of which are interchangeable.

The Model R Machine has been subjected to a series of most severe tests in factories making cigars of varying shapes and sizes, from all kinds and grades of tobacco, with the result that it is now being offered to cigar manufacturers supported by the enthusiastic approval of those practical cigar men who have proven the machine and are now using it in their own cigar factories.

The Model R Machine, which will produce from 400 to 500 cigars an hour, depending on the efficiency of its operator, is timed to a capacity of ten (10) cigars a minute. The Model R requires but one operator to effect a saving of $1.00 and upwards a thousand under the lowest cost heretofore obtainable in Machine Made Cigars.

COMPLETE visibility in all of its operations is one of the outstanding features of the Model R Machine. Before the bunches are placed into the individual turret molds of the Model R Machine they are inspected for imperfections by the operator of the Universal Bunch Making Machine. "Throw outs" are eliminated before the bunches are placed into the individual turret molds of the Model R Machine. The result is that imperfect bunches are, of course, never rolled on the Model R Machine.

This means an important saving of binder and wrapper stock, which ordinarily is spoiled and scrapped on imperfect bunches made on other types of Automatic Cigar Machines.

There are always ten bunches under pressure in the individual turret molds of the Model R, and the pressure on each bunch is uniform throughout and for the same length of time. The bunches in the individual turret molds are all subjected to the same atmospheric conditions, and for the same period of time. This condition cannot prevail where cigars remain in wooden molds from several minutes to hours, over night, and often over a week-end.

Aside from the increased production and saving in stock and labor costs you are always assured of a uniformity in the size, shape, appearance and condition of cigars made on the Model R Universal Automatic Cigar Rolling Machine.

The Model R Machine is sold outright, thus relieving the cigar manufacturer of all unnecessary royalty or leasing entanglements.

UNIVERSAL TOBACCO MACHINE CO.

40 EAST 34TH STREET, NEW YORK

NEW SIZE "LA PALINA" READY

IN answer to the demand for new ideas in the cigar industry, the Congress Cigar Company, manufacturers of "La Palina" cigars, has developed an attractive and unusual box to launch a new size of cigar, called "Blunts" because of its "virile" style and its mannish shape. For many months the executives of Congress have been laboring to produce a new shape cigar that would embody more real value at ten cents than any cigar on the market today. In "Blunts" they have perfected a cigar of exceptional quality that will be featured during the coming year. It is made of choice imported filler especially blended and wrapped in Java which according to Congress is the finest wrapper leaf obtainable and the "secret of 'La Palina's' famous blend."

The "Blunt" is indeed worthy of its new package. Instead of the flat regulation cigar box, "Blunts" will be distributed in a cubical container approximately 5 inches square and 5½ inches in height. Instead of the cigars being placed horizontally, as in the ordinary packing, "Blunts" will stand vertically and each box will contain fifty cigars, each cigar sealed in cellophane, guaranteeing to the consumer that continued perfect freshness. The cover of the box is cut diagonally to give good display to every cigar and a metal catch keeps the lid tight when it is closed.

From the retailer's standpoint "Blunts" in their new package have many sales advantages. The dealer will welcome a box that will sell $5 worth of cigars and yet occupy such small counter space. The fact that every cigar in the box is accessible will tempt the average consumer and make "Blunts" "a fast seller."

Apart from its commercial advantages the new packing is ideal for the home. Many men will like it for its convenient size and because it will look well on any smoking table.

Jobbers who have already seen this new box are very enthusiastic about it, not only because of the great value of the cigar itself, but also because the new package is a new slant in merchandising, and will undoubtedly bring sizable gains in "La Palina" sales for the coming year.

PHIL PHULOFAX WILL REMAIN WITH BAYUK CIGARS

PHIL M. PHULOFAX, D. B. I., specialist in cigar retailing associated with Bayuk Cigars, Inc., will continue to write for cigar retailers the sure-fire, money-making selling talks that have been appearing regularly in the advertising pages of this publication during the past year. Tremendous demand that he stay on the job, from his thousands of friends in the trade throughout the country, has decided Mr. Phulofax to continue, notwithstanding his reported intention to quit at the end of 1930.

"Rumors that I had intended to quit the job were true," Mr. Phulofax says, "but they brought in such a flood of letters and telegrams from jobbers and cigar dealers who have been reading my messages, that I hadn't the heart to go through with it. Besides I've got a real interest in the job. I've been selling cigars, or helping the other fellow to sell them, all my life. I don't know anything else I could do as well or get so much fun out of doing.

"I'll tell you, it made me feel pretty good when I saw how the jobbers and the boys out on the front line—the fellows who have the real, personal contact with customers—rared up on their hind legs at hearing I was thinking of quitting. I knew I had a lot of friends in the trade, but I never knew how many. I guess I wouldn't have had many left, though, if I had quit. You ought to see the letters and wires from fellows who say my selling ideas have been putting real money in their pockets, and that if I quit, they're going to take their loss out of my hide."

The reaction of the trade generally to reports of his intended resignation has given Mr. Phulofax a renewed sense of the important and helpful part he is in a position to play in boosting the jobber's and cigar dealer's profits through acquainting retailers with new selling ideas that have proved their worth in practice. He states that contacts made in the last couple of months have supplied him with a pile of money-making ideas that he's going to include in his future talks.

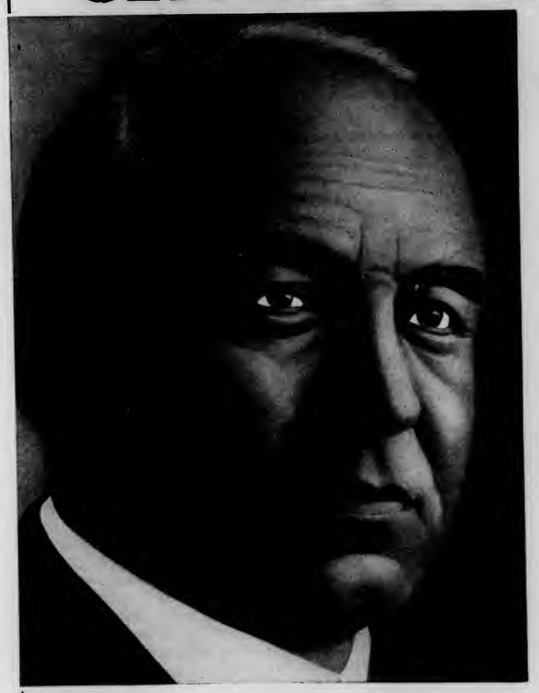
WAGNER BUSINESS AHEAD

At the offices of John Wagner & Son, Dock Street importers and distributors of high grade cigars, I. B. White, manager of the cigar department, reports that business for the holiday period as well as for the current year was equal in every respect to that of the previous year, and while figures were not complete as yet, every indication pointed to the fact that it would be considerably ahead of the previous year.

John Wagner & Son carry a complete line of many of the high grade brands, including the "Villazon" in thirty-two sizes; "Don Sebastian" in thirty-six sizes; "Haddon Hall" in seven sizes; "Monticello" in eight sizes; "Carl Upmann" and "Garcia & Vega" also in a large range of popular sizes. The imported brands, also in a variety of sizes, include "Corona," "Romeo y Julieta," "Belinda," "Por Larranaga," "Cabanas" and "Carolina."

Ben Lumley, factory representative for the "Carl Upmann" factory, spent the holidays at Franklin in company with Mrs. Lumley and reports a highly enjoyable trip. Business on the "Carl Upmann" in this territory has shown a substantial increase this year over 1929, under the able supervision of Mr. Lumley.

"CLEAR EVIDENCE"



Says

L. J. HOROWITZ

Chairman of the Board
Thompson-Starrett Co., Inc.

Builders of the new Waldorf-Astoria Hotel, the Woolworth Building, the Paramount Building, the Equitable Building, New York, the General Motors Building in Detroit; the Palmer House in Chicago.

"When modern enterprise joins hands with sure-footed experience, success becomes a certainty. The fusion of these two important factors has given Thompson-Starrett over a billion dollars worth of activity in thirty years. It is interesting to note the application of this same principle in your business. Its clear evidence is your use of the Ultra Violet Ray in the 'Toasting' of the LUCKY STRIKE tobaccos."

L. J. Horowitz

Everyone knows that sunshine mellows—that's why TOASTING includes the use of the Ultra Violet Ray. LUCKY STRIKE—the finest cigarette you ever smoked, made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED." Everyone knows that heat purifies and so TOASTING removes harmful irritants that cause throat irritation and coughing. No wonder 20,679 physicians have stated LUCKIES to be less irritating!

"It's toasted"

Your Throat Protection—against irritation—against cough

Consistent with its policy of laying the facts before the public, The American Tobacco Company has invited Mr. L. J. Horowitz to review the reports of the distinguished men who have witnessed LUCKY STRIKE'S famous Toasting Process. The statement of Mr. Horowitz appears on this page.

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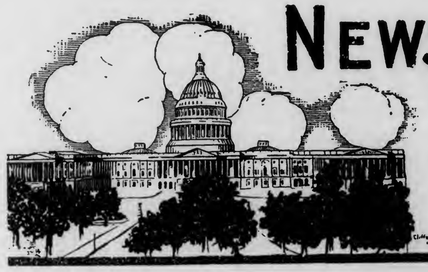


NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

DECLARING that the independent merchants are opposed to the Kelly Price-fixing Bill, Benjamin H. Namm, president of a Brooklyn department store, told members of the National Retail Dry Goods Association at a meeting in Washington December 19 that the measure will do nothing to curb predatory price-cutting.

The bill merely permits manufacturers to fix resale prices, Mr. Namm asserted, and there is no way of preventing a price-cutter from purchasing his goods from someone other than the manufacturer, when he would not be bound by the price-fixing provision. Further, he added, there are other ways of getting around the bill, such as trade-in allowances, etc.

Mr. Namm pointed to the present industrial situation, which has resulted in commodity prices being reduced from 15 to 20 per cent. with the exception of branded articles on which, he said, there has been practically no price reduction.

"Suppose you had a store," he said, "heavily stocked with branded merchandise, all at fixed prices. Before your season had fairly begun, along comes a market crash or a drop in commodity prices. Your bank reminds you that a 20 per cent. price reduction would liquidate your stock and see you through. And why not do so? The goods are yours, all bought and paid for. But no, Mr. Kelly's bill forbids any price cuts unless you go into the hands of a receiver."

Caution Urged in Forcing Abandonment of Established Trade Names

Protection of trade terms used in various industries which are of long standing and involve no deception upon the public was urged upon President Hoover last month by Republican Floor Leader Tilson and Congressmen Merritt and Goss, all of Connecticut.

Visiting the White House to discuss with the President the recent dismissal by the Federal Trade Commission of a complaint regarding the use of the word "silver" in connection with products of what is known as "nickel silver," the Connecticut Congressmen commended the Commission for its action, explaining that nickel silver, which contains no silver but is an alloy of copper, nickel and zinc, has been known as such for some seventy-five years and the material designated by the firm is fully understood by the public.

It was pointed out to the President that there are many terms legitimately used in industry which might be brought before the Trade Commission, demandatory abandonment of which might disrupt an entire trade, and he was urged to impress upon the Commission the desirability of moving cautiously in such cases.

Investigation of Anti-Trust Laws Proposed

A thorough investigation of all phases of the anti-trust laws with a view to ascertaining the power of Congress to establish an administrative tribunal with authority to render advisory opinions as to whether or not corporations would be violating anti-trust laws should a merger be consummated is proposed by Representative Graham of Pennsylvania, chairman of the Judiciary Committee.

A resolution authorizing the House Judiciary Committee or any subcommittee thereof to make such inquiry has been introduced in the House by Chairman Graham and referred to the Rules Committee.

The purpose of the proposal is to draw the attention of the Congress and that of the country to the consideration of legislation to aid in the administration of the anti-trust act, Mr. Graham said, by providing a means through which the business world may be officially advised as to whether or not proposed commercial agreements are held by official authority to threaten a violation of the anti-trust laws.

Chairman Graham said that it is not proposed to change the substantive law of the anti-trust acts but to provide a means of aiding in their administration for the benefit of honest business and as a contribution to the prevention of violations of the law without recourse to tedious and expensive litigation by the Government or private individuals.

Associations to Cooperate in Bankruptcy Investigation

Fullest cooperation of the United States Chamber of Commerce, the National Retail Credit Association, the American Bankers Association, the National Association of Credit Men and the National Association of Manufacturers, the five largest national business associations in the country, was offered the Department of Justice last month in the investigation of the bankruptcy situation and loss which is now being made.

The services of the organizations were accepted by officials of the department, who asked that they assist by sending out questionnaires which have been prepared by the department, by appointing committees to consider the questions presented in the study, and by studying the details of several thousand typical bankruptcy cases to be selected from court records.

It was declared by Solicitor General Thacher, during a conference with representatives of the organizations, that during the last five years nearly $4,000,000,000 of claims were wiped out in bankruptcy and that the losses had greatly increased in the last ten years. In 1920, he said, the liabilities were about $200,000,000; in 1924 they had jumped to some $663,000,000; in 1926 they were over $806,000,000, and in the cases closed last

(Continued on Page 14)

Right down my alley

PRINCE ALBERT speaks my language like a native. The day I first lamped the tidy red tin, I somehow felt we were going to go places and do things together. Fragrant . . . friendly . . . know what I mean? You open the tin and close your eyes and revel in that wonderful aroma.

Then, with your smoke-hunger tugging at the bit, you load-up and light-up. Now you're getting it . . . that P. A. taste. Cool as the sign "Standing Room Only." Sweet as reserved seats bought in advance. Mellow, mild, long-burning, right to the bottom of the bowl.

Pack it in your pipe or roll it in the makin's papers—it's one and the same to this double-barreled joy-smoke. There's no deep, dark secret about it . . . Prince Albert is *better tobacco*. It won't bite your tongue and it won't tire your taste. Why don't you try P. A.?

No other tobacco is like it.

PRINCE ALBERT

—the national joy-smoke!

© 1930, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

PUBLIC SENTIMENT AGAINST NUISANCE TAXES ON TOBACCO

THE Tobacco Merchants Association has just released a most comprehensive pamphlet in which is given the results of recent votes on tobacco taxation in various States, and also editorial comment in various newspapers relating to proposed State tobacco sales taxation.

Following the repeal of the tobacco tax act in Kansas City, (Mo.) and in the State of Louisiana, after actual and disastrous experiences therewith, the people of the States of Michigan and New Mexico have, at the last general election on November 4th, overwhelmingly rejected tobacco tax measures passed by the legislatures in both States.

In Michigan, shortly after the cigarette tax bill was passed by the Legislature, not less than 122,000 qualified voters signed a petition for a referendum, with the result that the measure came up for a referendum vote at the recent general election and was rejected at the polls by over 452,000 votes to less than 200,000; while in New Mexico about 40,000 citizens petitioned for a referendum, after the passage of the tobacco tax, and the tax was likewise voted down by about 6 to 1.

This recent condemnation of state taxation of tobacco products—double taxation of the tobacco consumer—was but a repetition of what happened in the State of Oregon, the only other State where a referendum was had on the tobacco tax question, where in 1926, when a similar tax on cigarettes and tobacco, having been submitted by referendum for a popular vote, was defeated by over 120,000 votes to less than 62,000.

At two different sessions of the Mississippi Legislature tobacco tax measures were passed and vetoed by the Governor, who, in his second veto message stated, among other things,

"Of all the nuisance, obnoxious and tantalizing taxes ever proposed the cigar and cigarette tax is the worst."

"This particular law as proposed in this Bill is an offense against every fair and just canon of taxation, and ought not to be for one moment tolerated."

"Furthermore, the experience of our sister States shows us conclusively that these 'tantalizing' and 'Nuisance Taxes' have not helped in the solution of their revenue problems, but have rather hindered because public attention has been diverted from the consideration of a sound and sane system to the censure and condemnation of the petty taxes which anger and annoy the public."

It is to be noted, however, that despite the Governor's two successive vetoes, the Mississippi Legislature again passed such tax and this time it became a law without the Governor's approval. However, though the law has been in effect only a few months, a strong public agitation for its repeal is already going on, and it seems quite likely that it will be repealed at the next session.

In Wyoming too, the Governor vetoed a similar tax bill.

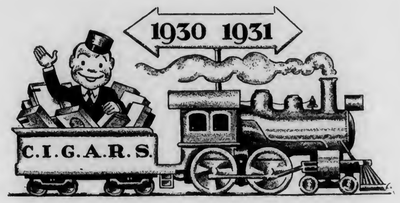
The Louisiana Tobacco Tax Repealed After Two Years' Experience

But the most convincing proof that this sort of taxation is unworkable, unproductive and economically unsound as well as disastrous to the business in the

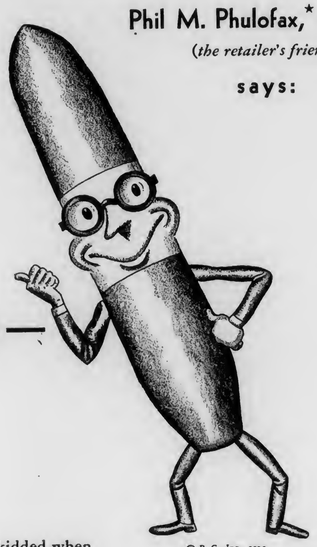
(Continued on Page 12)

ELEVEN MONTHS WITHDRAWALS FOR CONSUMPTION

	First Eleven Mos. Cal. Yr. 1929	*First Eleven Mos. Cal. Yr. 1930*
Cigars:		
Class A—U. S.....	3,357,958,945	3,359,166,555
P. R.	114,585,280	123,620,555
P. I.	145,490,445	139,688,585
Total	3,618,034,670	3,622,475,695
Class B—U. S.....	544,485,231	368,340,472
P. R.	4,174,650	4,127,580
P. I.	2,303,837	1,700,390
Total	550,963,718	374,168,442
Class C—U. S.....	2,077,469,364	1,678,688,568
P. R.	11,919,400	13,034,384
P. I.	884,322	1,062,712
Total	2,090,273,086	1,692,785,664
Class D—U. S.....	135,800,173	113,876,794
P. R.	48,200	27,600
P. I.	7,215	9,688
Total	135,855,588	113,914,082
Class E—U. S.....	25,106,732	19,424,795
P. R.	49,500	2,600
P. I.	25,623	76,366
Total	25,181,855	19,503,761
Total All Classes:		
U. S.	6,140,820,445	5,539,497,184
P. R.	130,777,030	140,812,719
P. I.	148,711,442	142,537,741
Grand Total ...	6,420,308,917	5,822,847,644
Little Cigars:		
U. S.	396,749,933	362,497,825
P. R.	8,247,200	6,000,000
P. I.	.....	.....
Total	404,997,133	368,497,825
Cigarettes:		
U. S.	110,777,485,027	110,950,190,924
P. R.	1,646,780	14,599,640
P. I.	4,347,053	2,750,253
Total	110,783,478,860	110,967,540,817
Large Cigarettes:		
U. S.	9,661,394	6,890,520
P. R.	3,613,583	2,710,400
P. I.	.....	.....
Total	13,274,977	9,600,920
Snuff (lbs.):		
All U. S..	36,976,815	37,066,694
Tobacco Manufactured (lbs.):		
U. S.	316,096,121	305,995,924
P. I.	1,594	1,992
Total	316,097,715	305,997,916



Phil M. Phulofax,* D. B. I.
(*the retailer's friend*)
says:



"When the steam is up—keep your business on the move"

© B. C., Inc., 1931
Reg. U. S. Pat. Off.

WELL, we put the big Holiday drive over, didn't we? Or am I being kidded when nine out of every ten letters I've been receiving from cigar retailers lately tell me they've had a whirlwind 1930 finish? And maybe it's soft-soaping me some more, but most of the letters say that my pre-holiday lectures on Christmas cigar selling had a lot to do with it.

Thanks, fellers! That's that. Now let's sweep up and look up. January is national clean-up month. . . . Clean up stock and clean up business. Here's a pointer: Christmas cigar gifts have shown thousands of smokers the advantages of buying cigars by the box. Many of 'em have already exhausted their supply—figgering that a box of twenty-five lasts the average smoker about a week.

That means that a lot of your customers are dropping in on you for more smokes. Get busy with a waggin' tongue—keep 'em hitched to the habit of buying cigars by the box . . . that's the hub of the whole idea. Let speechless wooden Indians stand in front of cigar stores . . . you be a Smart Selling Salesman back of the counter. Talk! . . . talk the convenience of the box-purchase; talk its economy; talk sense and pull in dollars.

If Mr. Christmasboxsmoker doesn't come in, don't let that stop you. Call him on the phone; or send him a post-card stressing the box plan . . . work on him while the idea is hot. You'll catch a lot of fish, but even if you don't land an order from every prospect, you'll at least build yourself a rep for being on the job—and they don't jail people for that! Come on, let's go—and let's go NOW!

* * *

Have you some Christmas-wrapped cigars left? Mighty difficult to estimate rush-period requirements—and it's always sound retailing to have some left rather than to have lost sales by not having had enough. Include those cigars in your January drive. But don't offer them as "leftovers." Some customers are likely to imagine that such cigars are stale. 'Tain't so, of course, but it's just as well not to encourage the thought. *Tear off those Christmas wrappers.* Pyramid the cigars on your showcases. It's the old "bargain" or "special" idea . . . and it always works!

P. S.—Thanks, dear folks, for all the Christmas cards and remembrances you've sent me. I'll do my darndest in 1931—but won't you please help me with your suggestions once in a while?

Phil M. Phulofax* D.B.I.

* *Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

BAYUK BRANDS
BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR
BAYUK HAVANA RIBBON
BAYUK MAPACUBA
BAYUK TRADITION
CHARLES THOMSON

NUISANCE TAXES

(*Continued from Page 10*)

State levying such tax is to be found in the very records of the few States where such taxation has been tried.

Thus in 1926 the Louisiana Legislature, despite the overwhelming protests of Louisiana merchants, passed a law levying a 10 per cent. sales tax on cigars, cigarettes and tobacco.

At the following session of the Legislature, this tax was abolished by a vote in both Houses of over 6 to 1.

Even the very sponsor of this tax, Dr. Thomas H. Harris, State Superintendent of Education in Louisiana, urged its repeal, stating that:

"The present tobacco law is unsatisfactory and it seems impossible of proper enforcement. . . .

". . . The results of the investigation are unsatisfactory. In view of the facts it seems to me that it is highly desirable that we get away from this source of school revenues and substitute a source that will be more stable and more satisfactory from every standpoint. . . ."

Kansas City's (Mo.) Disastrous Experience With Tobacco Tax

Led to believe by tobacco tax agitators that the City of Kansas (Mo.) might collect $300,000 a year from a tax on cigarettes, the City Council early in 1927 adopted an ordinance requiring every dealer to affix a tax stamp to each package of cigarettes. But instead of collecting $300,000 a year, the gross receipts dwindled down to about $4000 a month, hardly sufficient to pay the collection expenses: And this in spite of the fact that hundreds of dealers were hailed to the courts charged with bootlegging.

One of the Kansas City newspapers tells the whole story in but a short paragraph. Said the editor:

"It wouldn't be so bad if the city manager were faced merely with rebellion on the part of the dealers, but the latter are forced by a public which refuses to buy cigarettes with the stamps, to bootleg cigarettes with little or no attempt at concealment. The customer not only is tolerant of such bootlegging, but demands it, even when the dealer is willing to absorb the tax."

Finally the City Administration found itself faced with a thoroughly aroused public indignation against the tax as well as against the arrest of so many tobacco dealers, and without the anticipated revenue, with the result that the tax was repealed by the unanimous vote of all the Councilmen.

Tobacco Tax Yields But a Fraction of Anticipated Revenue

But what is particularly amazing is that advocates of tobacco taxes seem to disregard the most essential fact in the whole situation and that is, that this form of taxation is now definitely known to produce but a fraction of the anticipated revenue, and this is true in every State where it has been tried.

For instance, in Georgia the tobacco tax advocates had figured that the tobacco tax would yield $6,386,040 (see the *Georgian*, August 31, 1923).

But instead of collecting in the neighborhood of $6,000,000 a year in revenue, the actual receipts amount only to about one-eighth of the anticipated revenue, as may be seen from the following figures:

Collections in the fiscal year ending June 30
1925 ..... $730,241.11
Collections in the calendar year 1929..... 801,022.00

These figures, however, tell also another story, namely, that, whereas the cigarette business has, in keeping with its normal growth, increased between 1925 and 1929 to the extent of approximately 58 per cent., the revenue receipts in Georgia during this same period show but an increase of 9 per cent.; while the 1929 receipts were, in fact, less than the 1927 receipts by about 8 per cent., whereas the cigarette business increased in that period 22 per cent.

The same situation virtually exists in the few other States having similar tax levies.

In South Carolina, finding themselves extremely disappointed in the smallness of the revenue yield on the tobacco tax as originally passed, they have since raised the tax rates not less than three times, and although they have also applied the tax to a large variety of additional articles, they are still far from their anticipated revenue yield.

Additional Articles Taxed in South Carolina

Shot guns, or other shells, cartridges; candy, playing cards, cut glass, etched glass; sporting goods, footballs, baseballs, gloves, golf sticks, golf balls, fishing reels, and other sporting goods; admissions to amusement places, public bathing places, dance halls; soda water, ginger ale, Coca Cola, near beer, beer, fruit juices, ices, sundaes, confections, bottled drinks and fountain drinks, and other beverages, etc., etc.

Imaginary Figures

In the light of these facts and figures, it is painfully amusing to read the propaganda of the advocates of this sort of taxation, how they would raise millions of dollars out of tobacco taxes, though, taking the average per capita receipts in Georgia, for instance, they can, by the very simple process of multiplying the population in their respective states by the per capita revenue, readily ascertain that they can only collect but a fraction of their grossly exaggerated estimates.

Thus it is clearly demonstrated that this sort of taxation is not only unproductive, but that its very unproductivity is the best proof that it is also destructive to business. For obviously a tax that cannot be collected with any degree of efficiency or equality, cannot but operate as a bootlegging device, and, as in the case of tobacco products which are so readily mailable, also as an incentive to mail order houses in other states to come and help themselves to the business of the home merchants in the taxing state.

Injurious Tax But Little Revenue

Thus after demoralizing business and causing sure disaster to home trade and home merchants;

After creating a new source of bootlegging and inviting mail order houses to come in and help themselves to the business of the home merchants in the taxing states;

After singling out the tobacco consumer for an unjust tax burden and adding a heavy tax to the staggering tax burden already imposed by the Federal Government on tobacco users;

And after violating every principle of sound economics and equitable taxation and developing an interstate competition, which is necessarily exempt from state taxation, against the home merchants;

After all these, such tax system does not, as it possibly cannot yield anywheres near the amount of revenue sought or anticipated as a result of highly speculative guesses or grossly exaggerated estimates.

TOBACCO TRADE SHOWS STRENGTH

DESPITE varying trends, the tobacco industry is likely to be further strengthened by adaptations to changing demands, improved methods of production and manufacture, closer coordination and the increased popularity of cigarette smoking, according to the index published by the New York Trust Company.

"One of the oldest of American industries, the tobacco industry has displayed remarkable strength in face of the general business recession," the index states. "Mainly this has been due to the extraordinary growth in popularity of the cigarette, which, meeting the demand of the modern age for a short, quick smoke, has become the most important item in the tobacco business.

"Figures compiled for the first ten months of the current year show that 102,998,602,000 cigarettes were made in this country during that period. This represents a total of 1,262,160,200, or 1.24 per cent. more than corresponding figures for the first ten months of last year. During the whole of 1929 the number of cigarettes on which tax was paid for domestic consumption was 119,000,000,000. Exports accounted for an additional 8,400,000,000.

"Advertising Campaigns Vigorous

"The domestic demand continues to grow and manufacturers expect no change in it. Vigorous and extensive advertising campaigns have undoubtedly had considerable effect in promoting the sales of cigarettes. One company, for instance, has followed the general plan of appropriating annually for advertising an amount equal to one-tenth of the estimated sales income for each year, As sales have increased so have advertising expenditures.

"The company's products have been kept constantly before the public through newspaper, magazine and radio advertising on an extensive scale and increasing demand is attributed directly to this act. Similar advertising campaigns have been conducted by other companies with success.

"In each of the years 1916-1919 more than 7,000,000,000 cigars were produced annually. In 1920 production rose to a peak of more than 8,000,000,000. In 1921 it dropped to about six and three-quarter billion. Since 1924 it has remained at about six and a half billion each year.

"Snuff Production Increases

"While on the face of the total production figures the demand would appear to be relatively stable in the last six years, it has, in fact, been subject to an important change. Each year has brought diminishing sales of the larger and more expensive cigars and increasing sales of what are known as 'Class A' cigars, retailing at 5 cents or less. Sixty per cent. of all the cigars produced in the United States during the first seven months of the year were of the Class A type.

"After cigars and cigarettes, the chief products of the tobacco industry are manufactured tobacco—for pipe smoking and chewing—and snuff. Manufacturers report a continued decline of small proportions in the demand for manufactured tobacco, the total production in 1928 being 343,000,000 pounds, while last year it fell to 337,700,000 pounds. For the first six months of this year the output of manufactured tobacco is somewhat under that of the corresponding period of 1929. There has been a slight increase in the production of snuff, of which 26,967,835 pounds were produced during the first eight months of this year, against 26,369,763 pounds in the corresponding period of 1929."

MURIEL
CIGAR

2 for 25¢ Size
NOW 10¢
Made by Machine...
100% Clean
MADE BY P. LORILLARD CO.

LA PALINA
JAVA WRAPPED
THE SECRET OF THE BLEND
made good
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
CONGRESS CIGAR CO., Inc., PHILADELPHIA, PA.

"BEST OF THE BEST"
OPTIMO
VERY MILD
VERY MILD
CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

year, which mainly originated before the business depression, they had reached nearly $1,000,000,000.

With the increase of liabilities, it was declared, there has been a corresponding decrease of assets available for creditors. The cases with no assets at all have more than quadrupled during the last five years.

The chief problem in bankruptcy, the Solicitor General continued, is how to reduce the losses, which occur for the most part after debtors become insolvent but before they go into bankruptcy. Approximately 70,000 bankruptcy cases are now being analyzed from records prepared by referees in bankruptcy and clerks of the district courts throughout the country, and liquidations outside of bankruptcy through assignments for the benefit of creditors and equity receiverships are being studied on a large scale. One of the outstanding developments of recent years, it was said, is the great increase in the number of wage-earner bankrupts, the percentage of which has risen from 28 per cent. of the total number of bankrupts in 1910 to about 48 per cent. last year. Cases so far studied indicate that wage-earners account for nearly 20 per cent. of all the liabilities in bankruptcy, and that the average liability per wage-earner bankrupt is about $4226. In 96.5 per cent. of the cases studied, the assets realized were less than $100 per case, while in 88 per cent. there were no assets at all.

A study of the wage-earner bankrupt was suggested by officials of the department as an excellent field of service for the business organizations and it was recommended that in each case studied by them they should ascertain, among other things, why the debtor went into bankruptcy, what his occupation before and after bankruptcy was, what effect the granting or denial of a discharge from his debts had had, what type of debts he had contracted, to what extent his affairs were investigated, and what the attitude of his creditors had been.

Increase in Parcel Post Rates Asked

Increased parcel post rates and an increase in the size and weight of parcel post packages are asked in a petition filed with the Interstate Commerce Commission by Postmaster General Brown.

Weight changes proposed by the Postmaster General would place the maximum weight limit on packages at seventy pounds, instead of fifty pounds, as at present, while the size also would be increased from the present limit of 84 inches for length and girth combined to 100 inches.

It is expected that additional revenue of about $8,000,000 a year would be derived from the proposed changes.

In a letter transmitting the request for changes in the parcel post ratings the Postmaster General stated that experience has shown that existing rates are inequitable and that they do not produce sufficient revenue to cover the cost of handling and transportation. Weight limits, he said, to the more distant zones are such as to prevent shipment of articles of a desirable nature.

NOVEMBER PRODUCTION SHOWS DECREASE

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of November, 1930, and are issued by the Bureau. (Figures for November, 1930, are subject to revision until published in the annual report):

Products	*Nov., 1929*	*Nov., 1930*
Cigars (large):		
Class A.....No.	326,597,340	305,655,940
Class B.....No.	45,970,153	28,253,243
Class C.....No.	227,810,384	175,482,858
Class D.....No.	15,815,784	13,623,235
Class E.....No.	6,744,683	5,112,623
Total.....	622,938,344	528,127,899
Cigars (small).....No.	28,895,773	27,498,773
Cigarettes (large).....No.	976,936	569,956
Cigarettes (small).....No.	9,041,042,673	7,951,588,370
Snuff, manufactured...lbs.	3,495,774	3,160,338
Tobacco, manufactured.lbs.	24,846,124	22,815,370

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of November:

Products	*Nov., 1929*	*Nov., 1930*
Cigars large):		
Class A.....No.	12,947,450	12,706,100
Class B.....No.	306,500	333,500
Class C.....No.	1,523,978	969,760
Class D.....No.	2,500	2,000
Class E.....No.	1,000	.....
Total.....	14,781,428	14,011,360
Cigars (small).....No.	1,000,000	.....
Cigarettes (large).....No.	200,800	.....
Cigarettes (small).....No.	50,000	2,041,000

Tax-paid products from the Philippine Islands for the month of November:

Products	*Nov., 1929*	*Nov., 1930*
Cigars (large):		
Class A.....No.	11,079,610	12,595,875
Class B.....No.	113,523	164,230
Class C.....No.	90,034	157,088
Class D.....No.	4,081	5,460
Class E.....No.	70	22,826
Total.....	11,287,318	12,945,479
Cigarettes (small).....No.	22,590	215,443
Tobacco, manufactured.lbs.	214	130

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the November Statement of Internal Revenue Collections

Objects of Taxation	*First five months Fiscal year 1930*	*1931*
Tobacco Manufactures:		
Cigars	$10,773,979.27	$9,003,884.34
Cigarettes	156,782,837.72	154,608,054.22
Snuff	3,026,728.62	2,933,327.05
Tobacco, chewing and smoking.....	26,047,564.95	24,701,854.58

FACTORIES DECREASING

ACCORDING to the annual report of the Commissioner of Internal Revenue recently released, the number of cigar factories in operation on January 1, 1929, was 7502, and the number in operation January 1, 1930, was 6780, or a decrease of 722 for the calendar year 1929. Of this number in operation, 6765 produced large cigars, i. e., weighing more than three pounds per thousand, exclusively. Thirty-seven factories produced more than 40,000,000 cigars each annually.

Cigarette factories in operation January 1, 1929, were 133, while those in operation January 1, 1930, totaled 110, or a decrease of 23 factories. Sixty-two factories manufactured small cigarettes exclusively.

Tobacco factories on January 1, 1929, numbered 1094, while on January 1, 1930, only 1026 remained in business manufacturing smoking, chewing tobacco and snuff. Of these factories, 18 produced more than 5,000,000 pounds annually, or 89.69 per cent. of the total production of the country. Seven hundred forty-eight factories manufactured smoking tobacco exclusively, while 21 factories manufactured snuff exclusively. There were no factories producing small cigars (weighing less than three pounds per thousand) exclusively.

THE PIPE CLEANER IN JAPAN

A recent visitor in Japan writes, "One morning I heard the infernal but familiar shrick of a steam whistle. Ah, a peanut seller! But no—wrong—very wrong. He was a pipe cleaner and mender, and the steam issuing from his machine had the double duty of announcing him and of cleaning out the tiny pipes which the Japanese, not addicted to the cigarette habit, smoke. After cleaning your pipe and replacing the wornout bamboo stem, he will go on his shrieking way—your peanuts you will have to buy at the fried sweet potato stall.

PAULSBORO RETAILER HAS GOOD YEAR

H. C. Harris, who conducts the largest retail tobacco establishment in Paulsboro, N. J., reports a fine Christmas trade which compared very favorably with that of last year. "El Productos" particularly enjoyed a heavy demand, which is as usual in his territory.

Mr. Harris carries a complete stock of all the popular brands of cigars, cigarettes and smoking tobaccos, with candy, soda and magazines.

AUSTRALIAN TOBACCO DUTY $2.04

American exporters may be adversely affected by increased import duties which Australia is imposing on tobacco, some kinds of wire and grape must.

An official statement said that the import duty on leaf tobacco intended for the manufacture of smoking tobacco and cigarettes will be increased by 40 cents a pound, making the total duty $2.04 a pound.

The excise duty of four cents a pound on tobacco manufactured in Australia, imposed November 5, will be abolished.

H. L. Bush, of the Colwell Cigar Machine Corporation, reports that business for the year 1930 was excellent on filler bunch machines and that the outlook on these machines for 1931 looks very good.

BLACKSTONES
are a favorite—
cigar girls find

Jean Miller
Hotel Traymore
Atlantic City

Catherine Menger
Lord Baltimore
Hotel, Baltimore

Ruth Gregory
Edgewater Beach
Hotel, Chicago

In the famous clubs and hotels of the country, cigar girls say that Blackstones are a fast-growing favorite. Here are pictures of some of the girls who know the cigar tastes of the country's successful men. And Blackstones, they say, have won many new friends.

Blackstones come wrapped in Cellophane. They are widely advertised on the radio and in newspapers. Sales are steadily increasing! Everything points to another big year for these famous extremely mild cigars.

TUNE IN the Blackstone Plantation Hour every Tuesday at 8 p. m., E. S. T., over WEAF and Associated Stations of the National Broadcasting Company.

BLACKSTONE CIGARS
Waitt & Bond, Inc., Newark, N. J.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va.	President
CHARLES J. EISENLOHR, Philadelphia, Pa.	Ex-President
JULIUS LICHTENSTEIN, New York, N. Y.	Vice-President
WILLIAM BEST, New York, N. Y.	Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y.	Vice-President
GEORGE H. HUMMELL, New York, N. Y.	Vice-President
H. H. SHELTON, Washington, D. C.	Vice-President
WILLIAM T. REED, Richmond, Va.	Vice-President
HARVEY L. HIRST, Philadelphia, Pa.	Vice-President
ASA LEMLEIN, New York, N. Y.	Treasurer
CHARLES DUSHKIND, New York, N. Y.	Counsel and Managing Director

Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio	President
CHAS. B. WITTROCK, Cincinnati, Ohio	Vice-President
GEO. S. ENGEL, Covington, Ky.	Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio	Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City	President
MILTON RANCK, Lancaster, Pa.	Vice-President
LEE SAMUELS, New York City	Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J.	President
CHARLES D. COLEMAN, Chicago, Ill.	Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y.	Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN	President
SAMUEL WASSERMAN	Vice-President

BUSINESS RECOVERY FORECAST BY SECRETARY OF COMMERCE

IN RESPONSE to requests for a statement of conditions and prospects for the coming year, Robert P. Lamont, Secretary of Commerce, at Washington, has issued a statement in which he forecasts an early beginning of business recovery as follows:

"Disturbances such as characterized previous periods of depression have not arisen this year, although the contraction of purchasing power and declining price levels have resulted in the curtailment of industrial operations and the consequent discharge of many workers. For the year as a whole factory employment was about 15 per cent. below the high levels of the preceding year, but the decline in the number employed during the current year has been relatively far less than in similar preceding periods of depression. Employers have evidenced a conscious determination, so far as possible, to maintain their working forces by distributing available work through part time.

"Building operations generally have been sharply curtailed along with the contraction of industrial activity, but the effects of this shrinkage in building have been tempered by a more than ordinary volume of construction on the part of public utilities and Federal, State, and local governments. In accordance with the plans brought to fruition by the White House conferences, railroads and utilities set out on an expansion program which called for the expenditure of nearly three and a half billion dollars. At the same time public works and highway construction undertaken during the year aggregated a similar additional amount. The increase in such projects, it is estimated, has provided employment for about 200,000 additional workers who would otherwise be unemployed.

"Total new capital issues during 1930 declined approximately 25 per cent. as compared with the previous year. Foreign issues were confined almost entirely to the first half of the year and their later decline has closely reflected rapid price recessions and attendant economic disturbances abroad. Furthermore, the year's decline in construction, amounting to approximately 20 per cent., was an important factor in the lower level of capital issues. The initiation of an extensive public works program during the last few months has led to a marked increase in state and municipal issues during the closing months of the year.

"In the financial markets the past year has been featured by a substantial decline in security prices from the relatively high levels to which they recovered last spring. Brokers' loans have been liquidated since the beginning of the year by approximately 40 per cent. The Federal Reserve member banks have diminished their indebtedness to the Reserve banks by almost 80 per cent., as compared with 1929. Although the effect of falling security price levels and unliquid portfolios have led to bank suspensions in certain localities, the banks of the country generally are in a strong position.

"Considerable encouragement is afforded by the fact that consumer buying has held up to relatively stable levels. Sales of department and other retail stores for the year have fallen only 7 to 10 per cent. below the large volume of 1929. About half of this decline in dollar volume is attributable to the lower price levels for retail goods, so that the quantity of goods purchased by consumers has probably been only 4 or 5 per cent. less than in the preceding prosperous year. Wholesale commodity prices, particularly prices of raw materials and agricultural products, have declined sharply during the past year and for the year as a whole averaged about 10 per cent. under the 1929 level. Accompanying this decline the cost of living index has also fallen so that it is now about 6 per cent. below the level of a year ago. Earlier periods of depression, such as those of 1893 and 1921, were characterized in their later phases by the reaccumulation of savings which had been expended in the preceding boom period and by the wearing out of previously purchased goods, which caused a general buying movement on the part of the consuming public. That we are now approaching such a period is indicated by several significant facts. On the one hand, savings deposits have been progressively accumulating while business written by life insurance companies has been maintaining a fairly even pace and has reached a total for the year almost equal to the high level of 1929 and above the total for 1928. At the same time stocks of department stores have been sharply reduced and there are some evidences of recent expansion of retail buying. While it is impossible to forecast at what time unmistakable evidences of improvement in business will occur, it is clear that we have reached a point where cessation of further declines and beginning of recovery may reasonably be expected.

"In a review of business activity in 1929 which was issued a year ago, attention was called to the high level of industrial output for the year as a whole and to the fact that during the closing months activity in some lines of business was in recession. 'It is impossible, of course,' the statement concluded, 'to forecast what temporary ups and downs may occur, but the nature of the economic development of the United States is such that one may confidently predict for the long run a continuance of prosperity and progress.' Despite the sharp curtailment of economic activity during the past year, no evidences have appeared which would justify a revision of this statement. There can be no doubt that the inherent strength of our economic structure will enable our country to lead the world in a vigorous recovery from the present depression as we have done in the past."

THE SALES TAX AGITATION

Danger of Taxing the Buyer in Depressing Times

A great deal has been said and written about sales taxes on both sides of the question. But irrespective of the merits or demerits of sales tax levies by States, it seems clearly obvious that in times of depression, such as we now have, it would be extremely dangerous to inaugurate new systems of taxation which must, at least for the time being, have a further depressive effect upon business.

Surely, in such panicky times, everything must be done to stimulate buying and to promote business. Taxing the buyer upon purchases cannot induce buying or bring back prosperity.

UNITED RESUMES PREFERRED DIVIDENDS

A resumption of dividend payments on the 6 per cent. preferred stock of the United Cigar Stores Company was announced on December 19th. It was announced at that time that a full year's payment would be made in quarterly installments at $1.50 beginning on February 2 to stock of record of January 10.

This is the first declaration the company has made on this stock since August 1, 1929. The dividend is cumulative but no action was taken regarding the accumulation since the last payment.

1930 TOBACCO ADVERTISING TOTALS

EXPENDITURES of $9,050,841 were made for cigar, cigarette and tobacco advertising during the twelve months of 1930 in national magazines, national farm magazines and for radio broadcasting, an increase of $2,077,284 over the $6,973,557 spent during the twelve months of 1929. This is an increase of over 29 per cent. for the twelve months of 1930 compared with the twelve months of 1929, according to the Business Survey Department of Dorrance, Sullivan & Company, New York advertising agents.

The accumulative total for the year 1930 in national magazines was $6,866,032 as against $5,542,972 for the twelve months of 1929, a gain of approximately 23 per cent. The accumulative total in national farm magazines for the twelve months of 1930 was $325,975 as against $243,141 during the year 1929, a gain of $82,834 or approximately 34 per cent. The accumulative total for radio broadcast for the eleven month period of 1930 was $1,858,834 as compared with $1,187,444 during the eleven month period of 1929, a gain of $671,390, or approximately 56 per cent.

Cigar, cigarette and tobacco advertising in December, 1930, national magazines, national farm magazines and for radio broadcasting amounted to $992,203 compared to $670,423 during December, 1929, a gain of $321,780 or approximately 47 per cent.

In December, 1930, national magazines, cigar, cigarette and tobacco advertising amounted to $748,721 compared to $520,223 spent in December, 1929, a gain of $228,498 or approximately 43 per cent.

Expenditures in national farm magazines for December, 1930, were $47,350 compared with $24,810 during December, 1929, a gain of $22,540 or approximately 90 per cent.

Radio broadcast advertising over the national networks in November, 1930, amounted to $196,132 compared to $125,390 spent during November, 1929, a gain of $70,742 or 56 per cent.

W. H. SECHRIST PASSES AWAY

W. H. Sechrist, head of the firm of W. H. Sechrist & Sons, Yoe, Pa., cigar manufacturers, passed away on December 16th following an illness of several weeks.

Mr. Sechrist had been associated with the cigar manufacturing industry practically all of his business career, and will be sadly missed by his many friends and associates.

He was a director of the First National Bank, of Dallastown, and also associated with the Merchants Cigar Box Company, of Dallastown.

Funeral services were held on December 19th. He was fifty-eight years old.

DIAMOND MATCH MEETING

Stockholders of the Diamond Match Company have approved the plan for reincorporation and authorized sale of the company's assets, property and business to the Diamond Match Company of Maryland.

A meeting of stockholders has been called for January 13th to vote on dissolution of the old company.

TUCKETT TOBACCO COMPANY EXTRA

The Tuckett Tobacco Company, Ltd., of Canada, has declared an extra dividend of $2 a share on the common stock of the company in addition to the regular quarterly dividend of $1 a share.

The regular quarterly dividend of $1.75 a share on the preferred stock has also been declared.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

FOR SALE

FOR SALE—UNIVERSAL BUNCHING MACHINES—Strickler Scrap Machine—Molds—Presses—Small Tools. Prices very low. Write Box 475, Dothan, Ala.

BUSINESS OPPORTUNITIES.

CONFECTIONERY AND CIGAR BUSINESS FOR SALE—Montgomery County, Pennsylvania. Rent $250. Yearly business $45,263.54. Net profit 13 per cent. Full information upon request. Address Box 551, care of "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

1930 TOBACCO CROP 1 PER CENT. LESS

The Federal-State Crop Reporting Service, Harrisburg, Pa., reports that notwithstanding an increase of 3½ per cent. in the acreage of tobacco harvested this year in the United States, as compared with last, the estimated production is 1 per cent. less.

Cigar tobacco of all types combined is estimated at 176,814,000 pounds compared with 168,171,000 a year ago. A decrease of nearly eleven and one-half million pounds in the Pennsylvania seedleaf district is slightly more than offset by increases in the Miami Valley.

Pennsylvania tobacco got a most favorable start this year, but was caught by the drought in July and never fully recovered. Hail damage caused some abandonment and the yield is the lowest on record. So far, very few crops have been marketed.

DIAMOND MATCH RENEWS CONTRACT

The Diamond Match Company has renewed for a short period its contract with the Swedish Match Company for distribution of Swedish matches in this country, according to Wall Street reports. The previous contract expired December 31, 1930.

REYNOLDS METALS EARNS $1.93

In the previous issue of THE TOBACCO WORLD it was stated that the earnings of Reynolds Metals Company for the ten months of 1930 were $1.23 a share. The Reynolds Metals Company advises that this is in error and that the earnings for that period were $1.93.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

TRANSFERS

ROSA ROMA:—26,905 (U. S. Tobacco Journal). For cigars, cigarettes and cheroots. Registered April 2, 1903, by J. Whitelaw & Co., New York, N. Y. Through mesne transfers acquired by I. Lewis Cigar Manufacturing Co., Newark, N. J., and re-transferred to Mechanical Sales, Inc., New York, N. Y., December 9, 1930.

BEN BOLT:—9247 (Tobacco Leaf). For cigars, cigarettes, cheroots, tobacco and pipes. Registered November 16, 1894, by Rawson & Simpson Co., Worcester, Mass. Transferred by Rawson Cigar Co., successors to original registrants, to H. E. Shaw Co., Worcester, Mass., December 11, 1930.

CHAMPLAIN:—12,894 (U. S. Tobacco Journal). For cigars. Registered November 22, 1890, by Powell, Smith & Co., New York, N. Y. Transferred to American Box Supply Company, and re-transferred to F. E. Fonseca, Jr., New York, N. Y., July 30, 1930.

A. & H. TRADING CORPORATION SATISFIED

The recently organized A. & H. Trading Corporation, at 1018 Filbert Street, doing a cash-and-carry wholesale business in cigars and allied lines, report a highly satisfactory business during the holiday season. Their line of high grade candy, novelties, cigars, etc., moved in a highly gratifying manner and they are confidently looking forward to a good year in 1931.

GOOD YEAR FOR RALEIGH

"SIR WALTER RALEIGH" smoking tobacco and "Raleigh" cigarettes have closed a very successful year in this territory under the able management of Homer E. Chandler, department manager, and H. O. Herman, head of the local sales force, with headquarters at 1321 Arch Street.

During the year several innovations have been placed on the market by the manufacturers of "Sir Walter Raleigh" smoking tobacco, The Brown & Williamson Tobacco Corporation, with very satisfactory results. The new packings contained combinations of one pound of "Sir Walter Raleigh", a tobacco pouch, a pipe and pipe cleaners, at very attractive prices, which aided materially in increasing the sales on this brand.

EISENLOHR HEADQUARTERS MOVED

The headquarters of Otto Eisenlohr and Brothers, Inc., which have long been a landmark at 932 Market Street have been moved to 1618 North Broad Street, where they will be out of the congested traffic which prevails around their old location.

A huge neon electric sign will be placed over the sidewalk in front of their new quarters so that there will be no trouble in finding their new offices.

An intensive sales campaign is planned for the year 1931 by the local manager, John P. Sweeney, which will result in a material increase in the sale of "Cineo" and "Henrietta" for the new year.

BAYUK CIGARS DIVIDEND

The board of directors of Bayuk Cigars, Inc., have declared a quarterly dividend of 1¾ per cent. on the First Preferred Stock of the corporation, payable January 15th to stockholders of record December 31, 1930. Also a dividend of 75 cents a share on the common stock of the corporation was declared payable January 15th to stockholders of record December 31, 1930.

The Tobacco World

Wishes Everyone

A Happy, Healthy and Prosperous

New Year

JANUARY 15, 1931

VOLUME 51 No. 2

LIBRARY RECEIVED JAN 19 1931 U. S. Department of Agriculture

THE TOBACCO WORLD

Mae Rose, cigar girl, Hotel New Yorker, New York

These men and women *say,*

Hans Ranbut, smoking-room steward, S. S. Leviathan

"FOR MILDNESS men choose BLACKSTONES"

Ruth Geiger, tray girl, Palmer House, Chicago

HERE are the men and women who really know the cigar tastes of America's successful men. Cigar girls and headwaiters in famous hotels, stewards on the great ocean liners and fast limited trains . . . they tell us that the men who smoke for mildness and quality choose Blackstones.

These popular-priced cigars are widely advertised in newspapers and on the radio. They come wrapped in Cellophane to protect their freshness and purity. More and more they are becoming the favorite smoke of America's successful men.

Joseph Nathan, maitre d'hotel, Buffalo Statler

BLACKSTONE CIGARS

WAITT & BOND, INC., NEWARK, N. J.

MURIEL CIGAR

2 for 25¢ Size

NOW 10¢

Made by Machine... 100% Clean

MADE BY P. LORILLARD CO.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

A Prosperous New Year to Everybody

At the beginning of the New Year we wish to express our appreciation of the co-operation and wholehearted support we have received during the year 1930 from the cigar manufacturers, jobbers and retailers.

The increased use of Wooden Cigar Boxes during the past year is sufficient evidence of the recognition that this form of packing cigars is superior to all other methods.

With a hearty wish for their great prosperity, we look forward to a bigger and better year in 1931.

WOODEN CIGAR BOX
BOOSTERS' CLUB

Volume 51 — THE TOBACCO WORLD — Number 2

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, JANUARY 15, 1931 — Foreign $3.50

F. A. DAVIS TO DISTRIBUTE "MURIEL"

ANNOUNCEMENT was made last week that F. A. Davis & Sons, one of the largest cigar and tobacco distributing houses in Baltimore, Md., would take on the distribution of the "Muriel" cigar, manufactured by the P. Lorillard Company, effective January 5th.

Since the reduction in the price of the "Muriel" perfecto size recently this brand has shown an astonishing increase in sales, and the old established firm of F. A. Davis & Sons, is in a position to increase the distribution of "Muriel" considerably in their territory, and will no doubt materially increase the volume of business on this popular brand.

The "Muriel" brand has heretofore been distributed by the Maryland Tobacco Company in a part of the territory covered by F. A. Davis & Sons.

SCHULTE-UNITED FIVE CENT TO $1 STORES IN RECEIVERSHIP

Schulte-United, Incorporated, controlling a chain of ninety-seven "junior" department stores, was put into the hands of a receiver in New York yesterday.

The petition of three creditors, whose claims aggregated about $3000, estimated assets of the corporation at $9,000,000 and liabilities at $16,000,000. The company is a subsidiary of the Schulte Cigar Stores group and was launched in 1928.

The receiver, the Irving Trust Company, was named without opposition after counsel for Schulte-United, Incorporated, said it was necessary to conserve assets for the benefit of creditors and stockholders.

M. J. Witman, vice-president of David A. Schulte, Incorporated, said the receivership was the result of a combination of adverse circumstances, all of which grew out of the general business depression. The company, he said, had contracted long-term leases at burdensome rentals and a decline in merchandise prices had resulted in heavy mark-downs.

A receiver also was named for Millers, Incorporated, an affiliate of Schulte-United, Incorporated, operating upward of thirty stores dealing in women's wear. The petition by creditors said the concern's liabilities totaled about $1,250,000 and assets approximately $1,000,000.

In connection with the receivership of Schulte-United, R. W. Jameson, executive vice-president of United Cigar Stores Company of America, issued the following statement:

"United Cigar Stores Company of America has no interest in Schulte-United 5 cents to $1 Stores, Incorporated, and is not affected by the receivership of that company."

REYNOLDS TOBACCO HAS RECORD EARNINGS

A NEW high record in net earnings is reported by the R. J. Reynolds Tobacco Company for the year 1930. Net, after all charges and Federal taxes, available for dividends, totaled $34,256,665, equal to $3.42 a share on the capital stock. This compares with $32,210,521, or $3.22 a share, during 1929. The 1930 showing represents a continuance of the company's record for steady improvement in earnings over a long period of years. The company established a record not only for volume of earnings but also for total of cash dividends, the disbursements for the year 1930 totaling $30,000,000, being $3 a share, on 10,000,000 shares of common. This compares with a rate of $2.55 a share in 1929. The cash position of the company on December 31, 1930, was strong, totaling $33,458,341, which alone was more than three times all indebtedness. Undivided profits at the close of the year totaled $55,836,524, against $51,579,859 at the end of 1929. A highly liquid position is indicated in the balance sheet as of December 31, 1930. The ratio of current assets to current liabilities being more than 12 to 1, with no bank debt, no outstanding bonds or preferred stock and with only the nominal sum of $1 assigned to the company's brands, trade-marks and good will.

OCEAN FREIGHT RATES ON MANILA CIGARS REDUCED

The Associated Steamship Lines have approved the petition of the Manila Tobacco Association for a general reduction in ocean freight rates on cigars exported from the Philippine Islands to the United States, as a relief measure to rehabilitate the Manila cigar trade in the United States, according to a report received in the Tobacco Division of the Department of Commerce from Assistant Trade Commissioner Clarence P. Harper.

The reduced rates were made effective shortly after the petition was approved. The rates for cigars exported to Europe and other countries remain unchanged.

The reductions are in four classifications which have made the rates variable. One rate applies to goods shipped under contract; another applies to commodities shipped without contract, and still another is figured on volume or quantity.

1931 WEBSTER OFFICERS ELECTED

At a meeting of the board of directors of the Webster Cigar Company, held in Detroit last week, Joseph F. Cullman, Jr., was re-elected president of the company and Ralph E. Folz was elected first vice-president. Henry Cook was elected second vice-president and assistant secretary, R. C. Kerfoot treasurer, Jackson Kemper secretary, and Glay Myers assistant treasurer.

LEIMAN-WEIDMAN BOX COMPANY MERGES TWO WIDELY KNOWN TAMPA FIRMS

ANNOUNCEMENT has been made that as of January 1, 1931, the Tampa Box Company and Weidman, Fisher & Company, two of the largest cigar box manufacturing plants in the country and located in Tampa, Fla., have merged their business and assets under the name of the Leiman-Weidman Box Company. It is understood that the plants of both of the former companies will be maintained in operation.

At a meeting of the Board of Directors of the new corporation on January 6th, the following officers were elected:

Thomas D. Fisher, president and sales manager; W. J. Leiman, first vice-president; David Gross, second vice-president and production manager; George F. Weidman, secretary and assistant treasurer; Roland A. Wilson, treasurer and assistant secretary; Henry Leiman was elected chairman of the board of directors.

This consolidation absorbs two nationally-known firms with an established reputation as producers of the highest grade of fancy, boite nature and standard Spanish cedar cigar boxes. The capacity of the new corporation is the second largest in this country.

FIRST FLYING SMOKERS' COMPARTMENT

Miss Valentine La Dor, pioneer airplane hostess, is handing a passenger an "Old Gold" with the assurance

that "there's not a cough in a plane-load." She and five other hostesses, commencing January 10, will fly as the third member of the crew on the eighteen-passenger de luxe planes of the Eastern Air Transport, Incorporated, on the New York-Washington division. The hostesses will provide cigarettes to passengers to be smoked in what is believed to be the world's first aerial smoking compartments in the airplane public carrier field in the United States. These compartments with their special equipment and ventilation mark a new stage in catering to the comfort of flying passengers, and they are for the use of both sexes. Free coffee, tea, and biscuits will also be served. Beginning today, the regular crews on these runs will comprise the pilot, co-pilot and hostess. The planes leave New York and Washington thrice daily, each way, with stops in Philadelphia.

AUTOKRÁFT BOX CORPORATION TO OPEN NEW PLANT IN PHILADELPHIA

CIGAR manufacturers in Philadelphia and the vicinity will shortly enjoy the facilities of one of the finest cigar box manufacturing plants in the country when the new branch factory of the Autokraft Box Corporation is put in operation at Porter and Swanson Streets in this city.

The factory is three stories high with three hundred feet on Porter Street and is one hundred feet wide, facing Water Street on the west and Swanson Street on the east.

Pottash Brothers have erected this building for the Autokraft Box Corporation in the heart of their new industrial development, which occupies about eight blocks near the river front. The factory was designed by H. H. Kline, the well-known Philadelphia architect.

Autokraft will occupy thirty thousand square feet of space on one floor. This will permit straight line production with facilitating devices representing the latest developments in automatic cigar box manufacturing machinery. The fabricating and conveying equipment will be electrically connected and automatically controlled.

This assures an article of the highest quality at no greater cost, and a flexibility of production which guarantees prompt and efficient service to the customer even under unusual conditions.

It is of interest to note that this new plant includes a covered railroad siding three hundred feet long with a capacity of twelve cars. This assures protection to all incoming raw materials. In addition enclosed platforms shelter all outgoing cigar box products.

This new plant will have a capacity of two hundred thousand wooden cigar boxes per week.

Autokraft Box Corporation has for its slogan, "A Nation-Wide Service." This is assured to their customers by the fact that in addition to the Philadelphia plant branches are maintained in York and Hanover, Pa.; Lima and Cincinnati, Ohio; Detroit, Mich.; Chicago, Ill.; St. Louis and Kansas City, Mo., and Wheeling, W. Va.

The home office of the Autokraft Box Corporation is 704 Old National City Building, Lima, Ohio.

TOBACCO DIVIDENDS

The statement of the British American Tobacco Company chairman in London that the outlook is unfavorable, leaving open possible unfavorable action, drew attention to the falling off in the tobacco trade, which had been generally prosperous throughout 1930. Tobacco shares listed on the Stock Exchange here are in some cases discounting revision in the dividend rate by reason of their high current yields, although others are selling on an investment yield basis that precludes any unfavorable dividend action for some time to come.

"BLACKSTONE" HAS 20 PER CENT. INCREASE

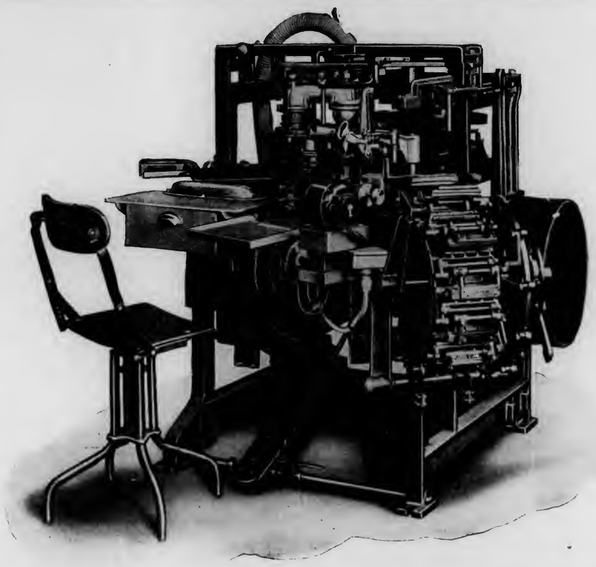
Yahn & McDonnell, distributors of the "Blackstone" cigar in Philadelphia territory, report a 20 per cent. increase on this brand for the year 1930.

The other brands distributed by this house also enjoyed splendid demand during 1930, which includes, of course, "Optimo," "Antonio y Cleopatra," etc.

Walter Woolfson, of the "Bering" factory, was in town for a few days last week. "Bering" sales have been showing a steady increase for many months, and 1931 promises to be a much better year for this quality clear Havana brand than 1930.

The Model R Universal Automatic Cigar Rolling Machine

Is Designed to Work in Combination With any of the four Universal Bunch Making Machines Models L, S, S-2 and T.



$7,500

Convenient Time Payments in United States and Canada. Prices, F. O. B. Our Plant, Newark, N. J., U. S. A.

AFTER our long and continued success in the development of Cigar Making Machinery, starting with the Model M Universal Tobacco Stripping and Booking Machine, down to our latest, the Model S-2 Universal "Cross-Feed Type" Long Filler Bunch Making Machine, it was the next logical step that we should develop a machine that would complete the process and deliver the finished Machine-Made Cigar.

Before designing the Model R Universal Automatic Cigar Rolling Machine, a thorough investigation was made with a view to avoiding or correcting the faults existing in other Cigar Making Machines. The result is a compact machine, simple in operation, sturdy in construction, with a minimum number of parts all of which are interchangeable.

The Model R Machine has been subjected to a series of most severe tests in factories making cigars of varying shapes and sizes, from all kinds and grades of tobacco, with the result that it is now being offered to cigar manufacturers supported by the enthusiastic approval of those practical cigar men who have proven the machine and are now using it in their own cigar factories.

The Model R Machine, which will produce from 400 to 500 cigars an hour, depending on the efficiency of its operator, is timed to a capacity of ten (10) cigars a minute. The Model R requires but one operator to effect a saving of $1.00 and upwards a thousand under the lowest cost heretofore obtainable in Machine Made Cigars.

COMPLETE visibility in all of its operations is one of the outstanding features of the Model R Machine. Before the bunches are placed into the individual turret molds of the Model R Machine they are inspected for imperfections by the operator of the Universal Bunch Making Machine. "Throw outs" are eliminated before the bunches are placed into the individual turret molds of the Model R Machine. The result is that imperfect bunches are, of course, never rolled on the Model R Machine.

This means an important saving of binder and wrapper stock, which ordinarily is spoiled and scrapped on imperfect bunches made on other types of Automatic Cigar Machines.

There are always ten bunches under pressure in the individual turret molds of the Model R, and the pressure on each bunch is uniform throughout and for the same length of time. The bunches in the individual turret molds are all subjected to the same atmospheric conditions, and for the same period of time. This condition cannot prevail where cigars remain in wooden molds from several minutes to hours, over night, and often over a week-end.

Aside from the increased production and saving in stock and labor costs you are always assured of a uniformity in the size, shape, appearance and condition of cigars made on the Model R Universal Automatic Cigar Rolling Machine.

The Model R Machine is sold outright, thus relieving the cigar manufacturer of all unnecessary royalty or leasing entanglements.

UNIVERSAL TOBACCO MACHINE CO.

40 EAST 34TH STREET, NEW YORK

PHILADELPHIA.

BAYUKS RECEIVING HEAVY ORDERS

BAYUK CIGARS, INCORPORATED, report a splendid volume of orders being received for Bayuk brands for this season of the year and production of their brands is in full swing.

A new size, under the "Charles Thomson" label, has been introduced on the Philadelphia market, and repeat orders are already being received on this excellent value. The new size is a perfecto shape, five and one-eighth inches long, individually wrapped, and will team up with the "Yungfello" size of the same brand, which is a panatela shape. Both sizes of the "Charles Thomson" brand retail at five cents.

J. A. Brown has become associated with the selling organization of Bayuk Cigars, Incorporated, as a territorial manager and has been assigned to Chicago, Ill., district. He was formerly associated with the "El Producto" organization.

Edward J. Duggan and F. J. Goodwin, associated with the Bayuk branch in the Hub City, were recent visitors at Bayuk headquarters, conferring on sales plans for 1931.

P. T. Morris, of the Cleveland branch; Floyd Nagell, of the Detroit branch, and L. W. Leech, of the Flint, Mich., branch, were recent visitors.

Charles Steffens, territorial manager for Ohio and part of Illinois, was here concerning plans throughout his territory for the current year.

B. W. Burnside is in Pittsburgh assisting the Bayuk distributor, the N. Rice Cigar Company, which is putting Bayuk brands over in that territory in excellent fashion.

EISENLOHR HOUSEWARMING HELD

Following establishment in their new offices, Otto Eisenlohr & Brothers, Incorporated, now located at 1618 North Broad Street, held a housewarming with belated Yuletide festivities on January 10.

A sales conference was held with the staff of sales representatives and President Joseph F. Cullman, Jr., of Webster-Eisenlohr, Incorporated, and John P. Sweeney, local manager, when plans were discussed for the 1931 campaign on "Cinco," "Henrietta," and their other brands. Following the conference there was a dinner at the Penn Athletic Club, attended by the sales force, and with a splendid vaudeville performance provided for entertainment.

"Cinco" and "Henrietta" sales showed a substantial increase during the past year, which was a source of great satisfaction to the management, and all signs point to a further increase for 1931.

TED AND LOUIS GRABOSKY TO MANUFACTURE

LAST WEEK it was learned that Theodore and Louis Grabosky, sons of Samuel Grabosky, and formerly associated with the G. H. P. Cigar Company, will soon establish themselves in the cigar manufacturing business, on their own.

The exact details of the new firm are still lacking, but with the experience and knowledge of their father and uncle, Benjamin Grabosky, as well as their own experience and knowledge of the business, it is highly probable that the new venture will prove a success in every way.

CONGRESS VISITORS

Harry Christina, of the Kiefer-Stewart Company, Cincinnati distributors of the "La Palina" cigar, was a visitor at Congress Cigar Company headquarters during the past week. Mr. Christina was on his way to New York City, where he will spend a few days before returning to Cincinnati.

Charles Kirschbaum, sales manager for Baker Bros., Boston distributors of Congress Cigar Company products, was a visitor at Congress headquarters this week, conferring with Sales Manager Willis Andruss.

The new Blunt size of the "La Palina," which was introduced the first of the year by the Congress Company, has met with instant demand and a fine volume of orders is being received for this new size.

A. & H. SELLING DONKEYS

Tom Allely, of the recently organized A. & H. Trading Corporation, reports an excellent business on the Santa Fe Trail Donkey cigarette dispenser. The A. & H. company disposed of many thousands of this popular item for the holiday trade and they are still experiencing a heavy demand for it, which keeps Tom busy scouring the market for enough of these donkeys to fill his orders.

Harry Hargesheimer, the other active member of the firm, reports a highly satisfactory demand for all their lines.

MAX NEWMAN RETURNS FROM TAMPA

Max Newman, territorial representative for the Hav-A-Tampa factory, has returned to Philadelphia following a visit to the Tampa factory, where he was in conference regarding plans for 1931, and is again making the rounds of his territory and receiving splendid co-operation on his factory's brands from the jobbers and retailers in his territory.

COMPANIONSHIP

To THE cosy intimacy of the firelight hour, Camel adds a perfect companionship. It is the smoke one might dream of, fragrant and mellow, mild and altogether delightful.

The mildness of Camel is a natural mildness, from the blending of choicest sun-ripened tobaccos—never over-treated, never flat or insipid.

CAMELS

MILD—Not flat

© 1930, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

ADVERTISING practices of the American Tobacco Company again are under fire, Representative Emanuel Celler of New York having filed with the Federal Trade Commission a complaint regarding the advertising of "Cremo" cigars.

In a recent lengthy address on the floor of the House, Representative Celler read his letter to the Commission in which he declared that the advertising complained of is not only unfair but "contains a strong element of untruth."

"The American Cigar Company is a subsidiary of the American Tobacco Company," Congressman Celler wrote the Commission, "and the latter offended once before with reference to unfair advertising in their presentation of "Lucky Strike" cigarettes. Then, as now, they attempted greater sales of their products by harming competitors. The American Tobacco Company, by this deplorable method, loses much morally, and their financial gain, if any, is but temporary. Such despicable operations will not pay in the end. One only hurts one's self by thus sowing ill will and hatred."

Discussing the matter on the floor of the House, Mr. Celler asserted that he is in possession of information that the American Tobacco Company will agree to some sort of stipulation with the Federal Trade Commission and stop the use of the word "spit" in the "Cremo" advertising, but, he added, "I am also reliably informed that it is prepared to use something more detrimental and that it will amend its advertising of 'Cremo' by advertising the fact that machine-made cigars like 'Cremo' cannot be contaminated with floor sweepings, dirt or dust, with the implication that hand-made cigars in the small factories contained floor sweepings, dust and dirt."

The matter has been thoroughly investigated by the National Better Business Bureau, he declared, and reports from state and city authorities through a nation-wide survey conducted by the bureau did not support these claims. "Therefore," he declared, "the 'Cremo' advertising is a libel upon a lawful and growing industry."

Constitutionality of Vestal Copyright Challenged

Constitutionality of the Vestal copyright registration design bill was challenged January 8 by witnesses appearing before the Senate Committee on Patents during hearings on the legislation.

The fight against the measure was led by Senator Dill of Washington, who declared it would do nothing but increase costs to the consumer, while witnesses before the committee asserted it would be only a matter of months after its enactment before the legislation would be declared unconstitutional by the United States Supreme Court.

Two other objections were entered to the measure during the hearings, one that it would result only in endless litigation in the courts, and the other that it fails to provide a way by which applicants for copyrights could tell whether a copyright has been granted for an article.

It was declared that the legislation should be discarded and that the matter be taken care of by amending the Federal Trade Commission act, whereby the commission could enjoin anyone who had pirated another's design.

A majority of the manufacturers who have appeared before committees during consideration of this legislation have been in favor of the bill, although there is some division of opinion as to how it should be administered, but retailers generally are opposed to the legislation on account that it would work a hardship upon them.

Upturn in Business Imminent

America is fast reaching the cross roads to an upturn of business, it was made evident by Secretary of Commerce Lamont in a statement analyzing the economic situation on the advent of the new year.

"While it is impossible to forecast at what time unmistakable evidences of improvement in business will occur," he said, "it is clear that we have reached a point where cessation of further declines and beginning of recovery may reasonably be expected."

Mr. Lamont, pointing to previous periods of depression, added that the signs which denoted their termination are making their appearance now, making the current situation appear more hopeful. He stressed the reaccumulation of savings occurring then and now.

"Savings deposits have been progressively accumulating, while business written by life insurance companies has been maintaining a fairly even pace and has reached a total for the year almost equal to the high level of 1929 and above the total for 1928," he explained. "At the same time stocks of department stores have been sharply reduced and there are some evidences of recent expansion of retail buying.

"It is impossible, of course, to forecast what temporary ups and downs may occur," he continued, "but the nature of the economic development of the United States is such that one may confidently predict for the long run a continuance of prosperity and progress. There can be no doubt that the inherent strength of our

(Continued on Page 14)

BEWARE OF IRRITATION
LUCKY STRIKE CIGARETTE
Toasting removes dangerous irritants that cause Throat irritation and Coughing
"It's toasted"
© 1930, The American Tobacco Co., Mfrs.

HARWOOD JOINS LENNEN & MITCHELL

FRANK W. HARWOOD, former vice-president of the American Cigar Company, in charge of advertising, and prior to that time having been associated with the American Tobacco Company, in a similar capacity, has joined the advertising agency of Lennen & Mitchell, Incorporated, of New York City, as vice-president.

Mr. Harwood has also recently been associated with *Liberty* magazine.

PERPETUAL MATCH INVENTED

Announcement was made last week that a "perpetual match" no bigger than an ordinary match, which can be lighted 600 times, has been invented by Dr. Ferdinand Ringer, an Austrian chemist.

The match, which resembles a slender crayon, is made entirely of compressed chlorate, the same material as the head of an ordinary match. It is mixed with other substances, which make the stick unbreakable and nonexplosive. Dr. Ringer was reported as en route to Zurich, where he will negotiate with an American firm which desires to exploit his invention. He has also received offers from Japanese companies.

Interest in the invention is widespread, because the perpetual match is not influenced by climate and can be stored in the tropics, where ordinary matches are either useless because of dampness or dangerous because they are explosive.

Dr. Ringer, who is technical adviser to several large firms in Vienna, started working on the device because he was annoyed by three matches that went out before he was able to light a cigar at a banquet in Paris three years ago. Since that time he has sought for a perpetual match.

The match will probably be manufactured to resemble a lipstick, so it can be carried in the vest pocket, with an ordinary phosphorous surface for igniting it.

AMERICAN TOBACCO INCREASES NEWSPAPER ADS

The American Tobacco Company and the American Cigar Company announced last week that they had opened the new year by placing in the newspapers of the country the largest cigarette advertising campaign and the largest cigar advertising compaign in the history of either company.

The announcement states: "The great growth in the sale of our popular brands, unprecedented in the tobacco industry, has been made possible by the power of newspaper advertising. We are again in 1931 increasing our newspaper advertising expenditure because we believe that this year, like 1930, will be a year of bigger business with us. Frankly, we do appreciate the power of public opinion generated through proper and intelligent newspaper advertising."

The announcement was signed by George W. Hill, president of the company.

VIRGINIA CROP HITS LOW RECORD

Figures made public this week by John A. Hicks, service statistician, show lowest average prices for Virginia leaf tobacco since the Federal-State Crop Reporting Service began keeping such records, for seasonal and December periods.

For the season through December 31, when Mr. Hicks estimated 70 per cent. of the crop had been sold, the average price was $9.48 per hundred pounds, as compared with $18.03 for the corresponding period of 1929. December's average was $9.18, compared with $18.45 in the same month of 1929.

PARK & TILFORD QUIT CIGAR JOBBING

AN announcement of great interest to the cigar trade was made on January 2d, to the effect that Park & Tilford had discontinued their cigar jobbing department due to conditions in the cigar trade.

Park & Tilford was established in 1840 and has gained a wide reputation for handling only high quality products in the grocery, candy, tobacco and allied lines, and the announcement that they would discontinue their cigar jobbing department was a great surprise to many in the trade.

Valeriano Gutierrez, American agent for the "Hoyo de Monterey" imported cigar, has made arrangements with Faber, Coe & Greeg to handle his line, and Packer Brothers have taken over the distribution of the Fleck Cigar Company line in New York.

No announcement has been made as to who will take over the distribution of the other cigar brands formerly handled by Park & Tilford.

Control of Park & Tilford was acquired by the Schulte interests some seven or eight years ago, and Gordon Stewart was elected president of the company just a few weeks ago. Mr. Stewart was at one time manager of the candy department of the company.

LEADING STATES IN THE MANUFACTURE OF TOBACCO PRODUCTS

The leading states in the production of the various types of tobacco products during the calendar year 1929, together with the respective percentages of the total production for which they accounted, are shown below:

Cigars: Pennsylvania, 35.19 per cent.; New Jersey, 12.24 per cent.; Florida, 9.47 per cent.; New York, 8.85 per cent.; Ohio, 6.86 per cent.; Virginia, 5.78 per cent.; Michigan, 4.44 per cent. *Aggregate, 82.83 per cent.

Small Cigars: Virginia, 74.37 per cent.; Pennsylvania, 12.22 per cent.; North Carolina, 8.61 per cent.; New York, 4.58 per cent. *Aggregate, 99.78 per cent.

Cigarettes: North Carolina, 61.39 per cent.; Virginia, 19.65 per cent.; New York, 6.18 per cent.; New Jersey, 4.70 per cent.; California, 3.92 per cent.; Kentucky, 3.03 per cent. *Aggregate, 98.87 per cent.

Large Cigarettes: New York, 91.19 per cent.

Plug: North Carolina, 50.39 per cent.; Missouri, 38.15 per cent. *Aggregate, 88.54 per cent.

Twist: Missouri, 46.10 per cent.; Kentucky, 27.21 per cent.; Tennessee, 24.19 per cent. *Aggregate, 97.50 per cent.

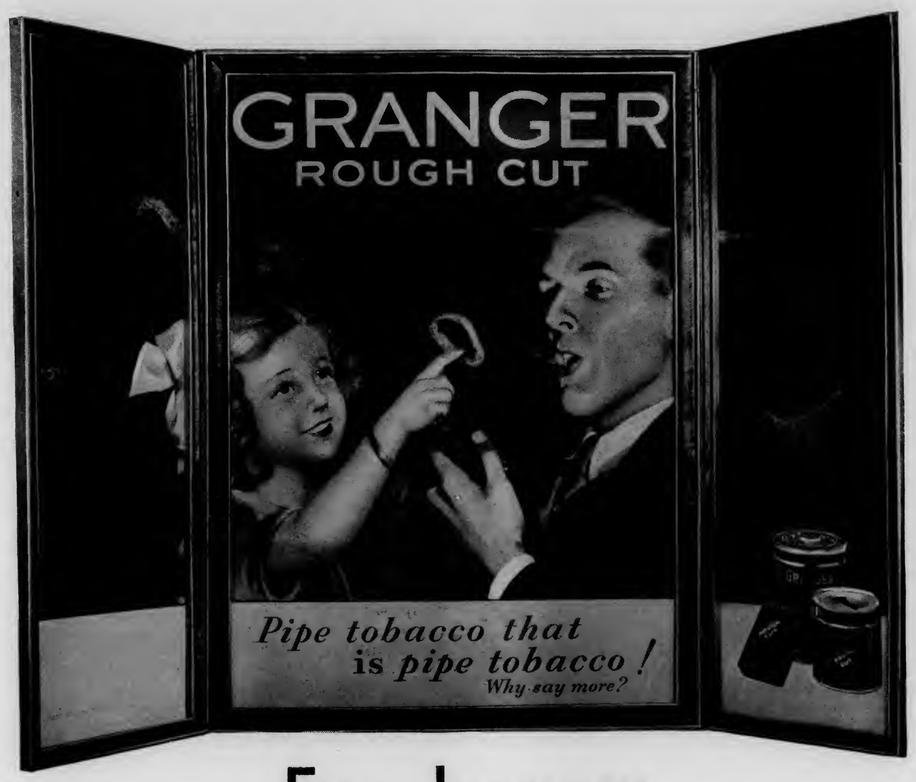
Fine Cut: Illinois, 48.73 per cent.; Michigan, 20.82 per cent.; New York, 12.44 per cent.; Ohio, 9.54 per cent.; Kentucky, 5.23 per cent. *Aggregate, 96.76 per cent.

Smoking and Snuff (Combined): North Carolina, 29.05 per cent.; Ohio, 19.43 per cent.; Illinois, 12.02 per cent.; Tennessee, 6.66 per cent.; Virginia, 6.57 per cent.; West Virginia, 4.58 per cent.; Kentucky, 4.53 per cent. *Aggregate, 82.84 per cent.

*States listed.

G. H. P. HOLDS SALES CONFERENCE

The G. H. P. Cigar Company is holding sales conferences this week with its divisional managers and sales managers, at headquarters, Third and Brown Streets, when plans for the 1931 sales campaign on "El Producto" are being discussed.



FOR JANUARY

It's all in the picture, the appeal of this fine new Granger display. Alive with human interest—and pipe interest, too—the screen illustrated here is the first of a new series for Granger dealers.

These displays will give color and modern smartness to thousands of windows throughout the country. And they sell more than Granger — they build character and prestige for the stores.

LIGGETT & MYERS TOBACCO CO.

GRANGER ROUGH CUT

HOW THE TOBACCO INDUSTRY FARED IN THE RECESSION PERIOD

By Charles Dushkind

A SINGLE breaker may recede; but the tide is evidently coming in," said Lord Macauley about a century ago.

This is as true today as it was then.

The existing depression has undoubtedly been much more severe than anticipated, and yet it is not the worst in our history. It was only the recession of a Breaker; But the Tide is evidently coming in. Our country has always emerged from depressing conditions with increased prosperity, and there is every reason to hope that it will come out of the present depression with renewed economic strength and industrial progress.

Indeed, had the present depression been due merely to over-speculation in securities or to the usual run of business cycles, we should have seen recovery long ago. But other factors have come into the situation which not only have retarded recovery but have, in fact, made conditions worse and prolonged the duration of the depression.

Among these may be mentioned, the drought; the collapse of prices of the basic commodities all over the world; the political agitation in Asia; revolutions in South America; the Soviet-Russian situation; the political unrest in some European countries; all of which have helped to paralyze business the world over and to create a feeling of uncertainty, discouragement and pessimism.

However, our country is blessed with such great natural resources and such strong recuperative power that we will surely come back with the usual rapidity. In fact, considering that, despite this world-wide depression, we are, according to President Hoover, still "holding from 80 to 85 per cent. of our normal activities and incomes; that our major financial and industrial institutions have come through the storm unimpaired; that price levels of major commodities have remained approximately stable for some time; that a number of industries are showing signs of increasing demand," there is every reason to hope and look for an early and substantial recovery.

In all periods of depression, the factors that contribute to deflation inevitably multiply as one industry after another is reached for readjustment. In other words, each unfavorable development adds to the depression and brings new hurtful factors into the situation. And this process goes on and on until it has run its course when the turn comes.

Thus the turn usually comes at a time when the situation looks the darkest, when the atmosphere is permeated with pessimism, and when all the damaging forces are still visible, though fading away.

Then too, the great army of amateur speculators have already returned, or are seeking to return to constructive employment; the weak business or financial institutions have already been eliminated; there is more money piled up in the banks now than ever before; there are more empty shelves in retail and wholesale establishments waiting to be filled up, more worn-out automobiles, house furnishings, clothing and many other things needed in every-day life awaiting replacement, while normalcy is now fifteen months nearer than it was when the crash came in October ,1929.

"We should remember," says President Hoover, "that these occasions have been met many times before, that they are but temporary, that our country is today stronger and richer in resources, in equipment, in skill, than ever in its history. We are in an extraordinary degree self-sustaining, we will overcome world influences and will lead the march of Prosperity as we have always done hitherto."

How the Tobacco Industry Fared in Depression Period

In the twelve months from December 1, 1929 to December 1, 1930, cigars have declined 8.8 per cent., and tobaccos 2.8 per cent., while cigarettes have slightly exceeded their peak output in the correspondingly twelve months ending November 30, 1929.

However a great deal of encouragement is to be derived from the fact that, under similar conditions in the 1921-1922 depression, both cigars and tobaccos came back in splendid fashion, after the crisis was over, while cigarettes quickly resumed their usual record growth.

What has happened in the 1921-22 recession is going to happen again. "History repeats itself." There is nothing strange—nothing new in the present depression—nothing different from what was witnessed in depressing periods in the past.

Surely, there is every reason to hope that the new year will bring back renewed prosperity in the whole country as well as in all branches of the tobacco industry.

JACOB PINKUSSOHN DEAD

JACOB PINKUSSOHN, head of the J. S. Pinkussohn Cigar Company, died at a Savannah, Ga., hospital on January 3d, following a long illness.

Mr. Pinkussohn was born in Charleston, S. C., on March 12, 1855, and moved to Savannah, Ga., in 1900, where he spent the remainder of his life among a host of admiring friends.

In 1903 he organized the J. S. Pinkussohn Cigar Company, which at the present time operates seven retail stores and one wholesale house in Savannah and one retail store in Charleston, S. C.

He established the Potpourri brand of smoking tobacco as a private brand for his firm but its tremendous growth in popularity has made it the second largest selling brand of high grade smoking tobacco.

He was a member of Zerubbabel Lodge, F. & A. M.; the Scottish Rite; the Knights of Pythias; the Harmonie Club, and the I. O. B. B.

He is survived by his widow, Mrs. Jennie E. Pinkussohn, and five sisters.

Funeral services were held on Monday, January 5, with interment in Bonaventure Cemetery. He was in his seventy-sixth year.

GENERAL CIGAR COMPANY DIVIDEND

The Board of Directors of the General Cigar Company, Incorporated, has declared regular quarterly dividends of $1 on the common stock payable February 2d, to stockholders of record January 16th, and a regular quarterly dividend of $1.75 on the preferred stock, payable March 2d, to stockholders of record February 20th.

Following the recent meeting of the General Cigar Company, it was disclosed that the earnings for the year 1930 would approximate those of the year 1928. Earnings for that year were $3,140,459, after all charges.

APPEAL TO THE CIGAR TRADE

IT WAS A real source of gratification to see cigar manufacturers and cigar jobbers in Michigan, one of the large cigar centers in the country, collecting signatures to the referendum petitions against the cigarette tax, and later putting their shoulders to the wheel to help kill the tax on election day.

By like efforts on the part of cigar leaders, working in earnest cooperation with trade leaders of the other branches of our industry, nuisance tax measures, whether on cigarettes alone or on all types of tobacco products, have been defeated in not less than thirty-three States, at a total of over 100 legislative sessions.

It is indeed self-evident that, had it not been for the cooperation of the cigar leaders—their far sightedness—their realization of the undeniable truth that a tax on cigarettes today only means a like tax on cigars tomorrow, we would have, by this time, probably had nuisance taxes on all forms of tobacco products, including cigars, in all of these thirty-three States.

In fact, it is only a matter of political strategy, to minimize opposition to such sales tax measures, that they start with cigarettes alone.

Having once established that system of taxation, cigars and tobacco are sure targets to follow. And so too, cosmetics, soft drinks, ice cream, candy, chewing gum, admissions, etc., etc., are next in line.

Cigar Tax Measures

We do not have to theorize to demonstrate the logic of these statements. Here are the facts.

In Arkansas, having passed a law taxing cigarettes at the rate of $2 per thousand and cigars at 10 per cent., subsequent attempts have been made to increase the cigar tax to 20 per cent. and extend the tax to manufactured tobacco.

In Georgia, as it will be recalled, an attempt was originally made to tax cigarettes alone, but when the measure finally reached the floor of the Legislature, even the very proponent of the bill utterly failed in his real earnest effort to save cigars from the sales tax.

In Iowa the tax was originally imposed on cigarettes. Since the adoption of the cigarette tax, measures extending the tax to cigars were introduced at three successive sessions of the Legislature and were defeated only after a hard struggle on the part of the trade. But a new cigar tax bill has already been prepared for the coming legislative session.

In Kansas a bill similarly taxing cigars and tobacco was introduced even before the cigarette tax law was in operation and it was only after a hard struggle on the part of the trade that the tax on cigars and tobacco was defeated.

In South Dakota, having started with a cigarette tax, a bill taxing cigars and tobacco was almost passed in spite of most vigorous opposition on the part of the trade. However, as herein elsewhere shown, the fight to tax cigars is to be renewed at the coming session.

In Wyoming a bill was introduced taxing cigarettes, but at the last moment, when the bill reached the floor of the House, cigars and tobacco were included, and before anybody knew it, the measure passed both Houses under a suspension of rules and in the closing hour of the session. Fortunately it was vetoed by the Governor.

And so, too, in Alabama, South Carolina, Tennessee, Mississippi and New Mexico real earnest and most energetic efforts were made to save cigars from the nuisance tax, but without success. Fortunately, the New Mexico law was killed by referendum.

As a further example, we may quote from a report of the South Dakota Tax Conference, to be submitted to the coming legislative session, accompanied by a new bill to extend the cigarette tax to cigars and tobacco, in which the Commission says:

"There seems to be no logical reason why the users of tobacco in the form of cigarettes should pay this tax and the users of tobacco in other forms be exempted therefrom."

Thus it must be clearly obvious that cigars cannot be saved from the demoralizing nuisance taxes by following an attitude of indifference with respect to cigarette taxes. Indeed, some of the cigar leaders in the States where cigars have been included in the tax schedules, now fully realize what a fatal blunder it was to "Divide the House against Itself" and stand by with indifference while the tax advocates were merely talking about cigarette taxes.

With the business depression now as a new excuse for raising more revenue, the agitation for nuisance taxes has become nation-wide, and with forty-four State Legislatures to meet in the early part of this new year, the tobacco tax situation looks real serious.

But these legislative attacks can again be repelled as they have been repelled in the past, providing the leaders of all branches of our industry act as a unit, and with a clear realization of the very obvious fact that a tax on cigarettes inevitably means a like tax also on cigars and all other tobaccos.

Thus, we most earnestly appeal to the cigar trade for its wholehearted, energetic and undivided support and cooperation in the campaign that is now beginning to save the entire tobacco industry from disastrous taxation. And again we must emphasize, what we have learned from actual experience, that where cigarettes are taxed, cigars and all other forms of tobacco are sure to follow.

TOBACCO MERCHANTS ASSOCIATION OF THE U. S.

HARRY BASSETT JOINS KLEIN COMPANY

FOLLOWING the announcement that Park & Tilford had discontinued their cigar jobbing department with the advent of the new year, announcement was made last week that Harry Bassett, former manager of that department, had become associated with the sales force of the D. Emil Klein Company, Incorporated, manufacturers of the well-known "Haddon Hall," "Nottingham," "Emanelo" and other high quality cigar brands.

Mr. Bassett will cover the middle western territory and a part of the eastern territory for the Klein Company, and his wide experience in the cigar trade will prove a valuable asset to the Klein organization.

Mr. Bassett will not be going among strangers when he travels to his middle western territory, since he has been in that territory before and has a host of friends among the jobbing firms in that section of the country.

REYNOLDS STOCKHOLDERS INCREASE 200 PER CENT.

Stockholders of the R. J. Reynolds Tobacco Company, as of December 18th last, showed an increase of nearly 200 per cent. during the preceding two years. The number of shares standing in the names of brokers was only about 8 per cent. of the total capitalization of 10,000,000 combined common and common "B" shares, whereas late in 1929 the floating supply was more than 16 per cent.

News from Congress

(Continued from page 8)

economic structure will enable our country to lead the world in a vigorous recovery from the present depression as we have done in the past.

"On the basis of quantity, our exports for the current year have declined about 20 per cent. from last year's high levels. Imports, which fell off approximately 30 per cent. in value from 1929, showed a drop in quantity of only 15 per cent.

"Thus our purchases and consumption of foreign goods have fallen but little below the levels of previous normal years."

Recent Policies of F. T. C. Accomplished Much

Policies of the Federal Trade Commission are aiding business generally to attain a place of greater honesty, according to Commissioner W. E. Humphrey, who declares that the policy of cooperation adopted several years ago has protected the public and honest competitors, and has put an end to more unfair and fraudulent practices than had been eliminated in eleven years under the former system of litigation.

"I feel that there has been a tremendous improvement in the conduct of the business of the country during the last few years," the Commissioner declared.

"There has been a complete change in the policies and practices of the Commission within the last five years. The new policy is one of cooperation. The old policy was one of litigation.

"The primal purpose of the Federal Trade Commission is to protect the public and the honest competitor from fraudulent and misleading practices. Under the old policy of litigation it became an instrument of oppression and disturbance and injury instead of a help to business. It harassed and annoyed business instead of assisting it. Business soon regarded the commission with distrust and fear and suspicion—as an enemy. There was no cooperation between the commission and business. Business wanted the Commission abolished and the Commission regarded business as generally dishonest. Over one-half of the complaints issued under this practice were issued against those whose acts were entirely lawful and the cases against them were afterwards dismissed. But this dismissal brought no headlines. It frequently happened that the respondent knew nothing about the matter until he saw himself held up to the public in screaming headlines, on front pages, as a criminal.

"This policy gave the impression throughout the country that there was far more dishonesty in business than the records of the Commission showed. The publicity thus given often drove the respondent into bankruptcy. It destroyed many concerns, threw many employees out of work and caused a loss to all of those who had invested in the stocks and bonds of these industries.

"And for all these things there was no redress. This policy has been condemned and abandoned. We abolished the practice of giving out a statement of facts until after we had tried the case and knew what they were. The cost of settling a case by stipulation is merely nominal. By litigation, it is heavy to the Government and greater to the respondent. The policy of stipulation has already saved several million dollars to the taxpayers of the country. It is a great credit to the business men of the country that our records show that 99 per cent. of those who sign these stipulations keep them in good faith. Today we settle twenty cases by stipulation to one by litigation."

Factory Production Up 10 Per Cent. in 1929

Factory production in the United States last year had a value of $69,417,515,929, an increase of 10.7 per cent. over 1927, when it totaled $62,718,347,289, according to a preliminary summary just issued by the United States Census Bureau of the 1929 census of manufactures.

The number of establishments listed is 206,556, an increase of 7.7 per cent. over 1927, when 191,866 were reported, and the average number of wage-earners was found to be 8,742,761, an increase of 4.7 per cent. over the 1927 total of 8,349,755. Total wage payments for the census years were $11,421,631,054, against $10,848,802,532.

The cost of materials, containers for products, fuel and purchased electric current last year was $37,730,454,799. In 1927, the figure was $35,133,136,889 but, the bureau explains, the two totals are not comparable because the 1927 costs included mill or shop supplies which were not figured in 1929.

The value added by manufacture—the value of production less the costs above, was $31,687,061,130 in 1929 and $27,585,210,400, but these figures are not comparable because of the inclusion in the 1927 costs of shop and mill supplies.

The most important industry in number of establishments is that of bread and bakery products, 20,482 establishments, followed by book and job printing and publishing, with 12,657 establishments. From the point of employment, foundry and machine-shop production led with an average of 457,758, followed by cotton goods with 428,128, and miscellaneous lumber and timber products, with 411,360.

In value of production, the motor vehicle industry led all others, with a total of $3,717,996,553, followed by meat packing, $3,394,672,995, and steel works and rolling mills, $3,356,894,259.

First Class Postage Will Not Be Changed

Little likelihood of any increase in the rate of postage on first-class mail, during the present session of Congress, at least, is seen as a result of a poll of the House Post Office Committee taken by Representative Kelly of Pennsylvania which, he says, shows not one member of the committee to be in favor of increasing the rate to two and one-half cents. The increase in rates was recommended by Postmaster General Brown in his annual report, submitted to Congress last month.

"At the present time," Representative Kelly declared, "many business organizations and many individuals are requesting members to oppose the proposed increase. I know of none urging its adoption.

"It is a fallacy to class the United States Postal Service with a business like telephone or telegraph company whose reason for existence is making money. The post office is not a business; it is a public service."

The Pennsylvania Congressman pointed out that first-class mail more than pays its way, while other classes of mail do not. If the question were looked upon from the standpoint of modern industrial practice of a price reduced as increased volume warrants it, there should be a reduction, rather than an increase, he believes.

CONSOLIDATED OPENS TAMPA OFFICE

THE CONSOLIDATED Lithographing Corporation, Brooklyn, last week announced the opening of a branch office in Tampa, Fla., in order to better serve the Tampa cigar industry.

The announcement was made following the return to Tampa of James C. Trezevant and Peter Taylor, Florida representatives of the Consolidated Lithographing Corporation, after a visit to New York, conferring with Jacob A. Voice, president and general manager of the corporation, as to plans for 1931.

Mr. Voice's announcement reads as follows:

"It is my pleasure to make an announcement which I am sure will meet with your approval.

"The Consolidated Lithographing Corporation recently took over the label department of the American Lithographic Company, and now offers the combined facilities of these two great plants. Peter Taylor, who for eighteen years represented the American Lithographic Company in Florida, and James C. Trezevant, well known as the representative of the Consolidated Lithographing Corporation, in Florida, will now represent the Consolidated Lithographing Corporation, and in order to further improve our service to the Tampa cigar manufacturers we have established an office in the First National Bank Building, Tampa, where these gentlemen can be reached during the usual business hours by telephoning number 3780. They will co-operate cheerfully at all times to meet every lithographic requirement that our customers may have.

"I have a deep interest in the cigar industry in Tampa, and have given careful study to its needs in the field of lithographing. It is my belief that the correlation of the two plants, already supplying a large portion of the labels and bands used in Tampa factories, is an achievement that will benefit both our customers' trade and ours. The association of Mr. Taylor and Mr. Trezevant, two men who thoroughly understand our customers' problems, assures them of expert advice on technical matters as well as promptness and accuracy in filling their orders."

FOX TO ESTABLISH OWN BUSINESS

William Fox, formerly associated with the Louis King Cigar Company, South Third Street, has severed his connection with that firm and will establish his own manufacturing business, marketing his cigars to the mail order trade.

A. N. Davis has returned from a visit to headquarters of the Louis King Cigar Company, at Hartford, Conn., where he discussed plans for the year 1931.

Mr. Davis's brother has become associated with the King Company and will assist in the manufacture of their brands, "King Perfecto," etc. He was formerly associated with the drug business.

SAM GRABOSKY JOINS BROKERAGE FIRM

Samuel Grabosky, formerly of the G. H. P. Cigar Company, has become associated with the brokerage house of Gillooly & Company in New York City, it was learned last week, following a visit by Mr. Grabosky to that city.

SAM WEISS A VISITOR

Sam Weiss, formerly associated with the Weiss Cigar Company, New York, was a visitor in town last week calling on the trade in the interest of the L. & N. pipe.

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

LA PALINA

JAVA WRAPPED

THE SECRET OF THE BLEND

made good

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

CONGRESS CIGAR CO., Inc., PHILADELPHIA, PA.

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SAMUEL WASSERMAN ..... Vice-President

SWEDISH MATCH TO ISSUE BONDS

THE first major new securities issue of 1931 and one of the largest pieces of corporate financing in many months was announced by the Swedish Match Company, of Stockholm, last week. The company, which controls approximately 75 per cent. of the match business of the world, plans to increase its share capital from 270,000,000 kronor to 360,000,000 kronor ($96,480,000) and to sell an issue of 60,000,000 kronor bonds. The total amount of new money thus raised will be in excess of $52,000,000. The increase in capital stock will be made through the issuance of rights to the present stockholders to subscribe, at a price of 150 per cent. of par, to 90,000,000 kronor ($24,120,000) par value of new stock, in the ratio of one new share for every three shares now held. The new shares are of Class B. A statement issued by the company says: "In May, 1931, the company will take up, at 93 per cent., $37,500,000 6 per cent. German Government bonds, being its share of the $125,000,000 loan to the German Government in connection with the German match monopoly and representing 50 per cent. of the final installment of that loan. The company has further called for redemption on February 15, 1931, all of its outstanding 7 per cent. bond loan of 1921, totaling 20,000,000 kronor." The new stock and bond issues now being made will provide funds for these and other transactions in connection with the industrial expansion of the company.

In the new financing all the leading financial centers of Europe will participate. The proposed 60,000,000 kronor ($16,000,000) bond issue will be placed in Sweden. Swedish Match stock is listed in Stockholm, London, Paris, Amsterdam, Berlin, Hamburg, Frankfort, Basle, Berne, Geneva, Lausanne, Zurich and Brussels. While a substantial amount of Swedish stock is held by American investors, financial participation in the organization is represented in this country chiefly by the securities of International Match Corporation of Delaware, the principal subsidiary of Swedish Match Company, and by the securities of Kreuger & Toll Company, the Swedish Investment & Financing Company, which holds the controlling interest in Swedish Match Company. International Match Corporation was organized in 1923 to consolidate the foreign holdings of the Swedish company.

LADY CIGAR SMOKERS

The appearance of an elderly lady smoking a cigar on the stage, which is one of the incidents in a new London play, would have interested Harriet Martineay, who seems to have been the first Englishwoman on record to indulge in that particular variety of tobacco (says the *Manchester Guardian*). She was greatly troubled by deafness, and James Payne once advised her to try cigar smoking as a remedy. She made the experiment, and found cigars so pleasant that she persuaded herself they really did improve her hearing, and smoked them regularly ever after.

1931 SUMATRA INSCRIPTIONS

The 1931 schedule of Sumatra inscriptions was made public last week as follows:

First inscription March 13; others on March 20, April 17, May 1, May 8, June 5, June 19, June 24, July 3 and July 17.

All inscriptions will be held at Amsterdam, with the exception of those of May 1 and June 24, which will be held at Rotterdam.

JOSEPH E. SULZBERGER DIES

JOSEPH E. SULZBERGER, retired cigar manufacturer, who was prominent in the industry here many years ago, passed away at his home, 6508 Lincoln Drive, Germantown, on January 5th, following a period of failing health which began last July.

Mr. Sulzberger was a member of the firm of Sulzberger & Oppenheimer many years ago, manufacturing the well-known "Campanello" and "Ben Rush" cigars. The business of the firm was later bought by the old firm of Theobold & Oppenheimer, which firm was taken over by the United Cigar Manufacturers, Incorporated, and later by the General Cigar Company. Theobold & Oppenheimer were the original manufacturers of the "Wm. Penn" brand.

Funeral services were held from his late residence on Wednesday, January 7th, with interment in Mount Sinai Cemetery. He was ninety years old.

Charitable bequests totaling $16,000 are included in Mr. Sulzberger's will, probated here on Tuesday, and which disposes of an estate valued at upward of $130,000. Specific bequests total $146,000.

The will directs that $10,000 be given to the Jewish Publication Society and $1000 each to the Jewish Hospital, Jefferson Hospital, Pennsylvania Hospital, Jewish Foster Home, the Federation of Jewish Charities and the Congregation Mikve Israel.

Trust funds of $15,000 each are created for eight nieces, and $1000 is bequeathed to each of ten grandnieces.

Named as executors are Henry Wessel, Jr., attorney; Dr. Cyrus Adler, president of Dropsie College, and the Pennsylvania Company for Insurances on Lives and Granting Annuities. According to Mr. Wessel, the estate consists of $100,000 and upward in personal property and $30,000 and upward in real estate.

Mr. Sulzberger was a brother of the late Meyer Sulzberger, former President Judge of Common Pleas Court No. 2.

HARRY BOSTON A VISITOR

The many friends of Harry Boston, of William DeMuth & Company, were glad to welcome him in Philadelphia last week following an absence of several months, and were pleased to learn that he will again cover his old territory in the interest of DeMuth pipes.

After a stop-over of a few days here, Harry moved on to Baltimore and Washington, where he also has a host of friends.

S. P. VOICE RETURNS FROM CRUISE

Sidney P. Voice, secretary of the Consolidated Lithographing Corporation, returned last week from a nine-day holiday cruise on the SS. "Britannic" to Bermuda. He was accompanied by his mother, Mrs. J. A. Voice, and his two sisters, Miss Flora Voice and Mrs. Cecille Voice Tolstoy.

MANNIE PEREZ IN NEW YORK

Mannie Perez, of Marcelino Perez & Company, Tampa manufacturers of "Tuval," "Redencion," and other brands of clear Havana cigars, was a visitor in New York City last week.

Mannie will remain in New York a few days before returning to Tampa.

TOBACCO INDUSTRY IN GOOD SHAPE

A RECENT article in *The Wall Street Journal* states the cigarette division of the tobacco industry, which has become by far the most important division of the industry in the past decade, has suffered from the business depression during 1930 only to the extent that its rate of increase was less than that of the preceding five years.

In recent years, the rate of increase in production of small cigarettes has ranged from 8 per cent. to 12 per cent. but in that part of 1930 for which figures are available, the increase has been only a fraction of one per cent.

To some extent, undoubtedly, the lessened rate of increase in the production of cigarettes was caused by the disposition of dealers to keep inventories at a minimum. Another reason may have been that smokers were curtailing their expenditures.

The year has been marked by a further concentration of cigarette production in the hands of the four leading companies, the American Tobacco Company, the Liggett & Myers Tobacco Company, the P. Lorillard Company and the R. J. Reynolds Tobacco Company. The first company, throughout the year, has reported large increases in sales of its principal brands of cigarettes—increases which far exceeded the gain by the entire industry.

The principal effect of that has been to reduce rather sharply the production of cigarettes by smaller companies, or the output of the less important cigarettes manufactured by the larger companies.

While no figures on production of the various companies are available, those four companies probably produce from 90 to 95 per cent. of all cigarettes manufactured in the United States.

With 1930 production running about 120,000,000,000 for domestic consumption, and under 10,000,000,000 additional for export, the combined production of these four companies, probably will be between 115,000,000,000 and 120,000,000,000.

Because of the higher price prevailing for cigarettes during all of 1930, the four leading cigarette companies practically are certain to report record earnings for the year, even though not all of the companies show increases in output.

From time to time, through 1930, reports cropped up that the companies were planning increases in the price of cigarettes, but no such action was taken.

The cigarette retailing situation has improved during the year. After selling for twelve cents a package, or less, for most of the year in the stores of the principal chain distributors, in the latter months of 1930 the price became firmer at twelve and one-half cents a package.

At this level, the retailers have a better chance to cover the expense of selling cigarettes, and still realize a profit. One of the reasons advanced for an increase in the wholesale prices of cigarettes had been that it would affect retail prices, presumably forcing a straight 15-cent price. The firming up of the price, without any compulsion on the part of manufacturers, has obviated that necessity for an advance.

The cigar industry in 1930 experienced a further contraction in output. In 1929, production increased slightly over that of 1928, but this year the output decreased below the 1928 level.

Output of higher priced cigars declined the most. For the first eleven months of 1930, production of Class A, or 5-cent cigars, showed a small increase over that for the corresponding period of 1929. In that price class of cigars, competition increased during the year. The American Cigar Company captured all of the increase in that class and more.

Nickel Brands Gain

In recent years, the output of the 5-cent cigar has increased considerably. That was made possible by the development of machinery for the manufacture of cigars. Employment of the machinery necessitated a larger capital investment than did previous methods of manufacture. That reduced the number of manufacturers, and concentrated production in the hands of larger makers.

With large increases this year and in recent years in the production of the 5-cent cigars by leading producers, that industry began to show a trend toward concentration of output in a few brands, similar to that which took place in the cigarette industry.

Many cigar manufacturers, however, maintain that there is a wider range of tastes in cigars than in cigarettes, and that, consequently, the concentration will halt before the field has been narrowed down to the extent that the cigarette field has. Whether that is so, or whether heavy advertising can overcome the wide range of tastes, remains to be determined.

As a result of the adverse conditions, virtually all companies engaged in the manufacture of cigars have reported earnings under those of the preceding year.

The one company which has reported an increase in output, the American Cigar Company, maker of 5-cent cigars, probably obtained the increase at a fairly high cost. The company does not report earnings, except for the yearly period, but probably will show a

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

BUSINESS OPPORTUNITIES.

CONFECTIONERY AND CIGAR BUSINESS FOR SALE—Montgomery County, Pennsylvania. Rent $250. Yearly business $45,263.54. Net profit 13 per cent. Full information upon request. Address Box 551, care of "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an auditional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

DALIA ROJA:—45,834. For cigars. January 9, 1931. Eusebio Alvarez, Tampa, Fla.

N. C. S.:—45,835. For cigars. January 9, 1931. National Cigar Stands Co., New York, N. Y.

LA-MA-VIC:—45,836. For cigars. January 8, 1931. Ma-Vic Cigar Co., Philadelphia, Pa.

TRANSFERS

B. C. A. KEYSTONE:—86 (Tobacco Leaf). For cigars. Registered October 8, 1885, by Boston Co-Operative Association, Boston, Mass. Through mesne transfers acquired by James N. Fink, Boston, Mass., and re-transferred to Alles & Fisher, Inc., Boston, Mass., January 9, 1931.

LEGISLATURES TO MEET IN 1931

THE 1931 Legislative Session is rapidly approaching. Altogether, forty-four States are scheduled to meet in regular session.

During the past few years, tobacco tax bills have been introduced, but successfully combated, in not less than thirty-three States; in some instances, at as many as five distinct legislative sessions.

Under these circumstances, it would seem that the tobacco industry ought to have every reason to hope that no further attempts to impose state taxes on cigars, cigarettes or tobacco would be made in any of these States.

But, unfortunately, we are now facing new conditions. The depressing times, the unemployment, and the demand of farmers and realty owners for relief from taxation, by shifting the burdens to others, have supplied the advocates of so-called "Luxury Taxes," as well as general sales taxes on all commodities, with new excuses, new arguments and new "Battle Cries."

As a matter of strategy, in order to minimize opposition, they may start first with a tax upon cigars, cigarettes and tobaccos, or perhaps on cigarettes alone, to be surely followed by cigars and tobaccos.

But what they really have in mind, according to all indications, is a tax upon patent medicines, candies, soft drinks, canned products, sporting goods, amusements, etc., etc., to be ultimately extended as a general sales tax on all commodities, from a package of tooth picks to a piano or automobile.

The industry's legislative battles in the past—the defeat of tobacco taxes in not less than thirty-three States, coupled with the overwhelming rejection of such tax laws by popular referendum votes in Michigan, New Mexico and Oregon—present a record that augurs well for our industry's success in repelling similar attacks in the future, and it is our earnest hope that this record may serve as an encouraging stimulus to the trade leaders all over the country for renewed and redoubled efforts to keep the tobacco business free from state taxation, on top of the heavy taxes paid to the Federal Government.

UNITED STATES TOBACCO EXPORTS INCREASE

TOBACCO exports for the first eleven months of 1930 were 517,511,000 pounds, valued at $128,570,000, as compared with 499,401,000 pounds, valued at $127,814,000 in the same period of 1929.

The Commerce Department, announcing the figures last week, said exports increased 3.6 per cent. during the period while the increase in export value was only .6 of 1 per cent. The average price per pound dropped .8 of a cent to 24.8 cents, against 25.6 in 1929.

Heavy declines were noted in the major export types, while the minor varieties generally showed increases.

Bright flue cured tobacco averaged 28.3 per pound, against 28.4 in 1929; burley, 21.6 cents, against 22.5; dark fired Kentucky and Tennessee, 16.9, against 19.6; dark Virginia, 27, against 18.1; Maryland and Ohio exports, 23.1, against 21.1; Green River, 24.3, against 21.6; one sucker, 18, against 22.8; black fats, 21.2, against 21.8, and cigar leaf, 17.3, against 21.7.

Exports of tobacco products declined nearly 35 per cent. to $11,719,500, as compared with $17,979,311.

ABE CARO IN TOWN

Abe Caro, well-known "Optimo" ambassador, was in town this week for a few days, making his headquarters at the Yahn & McDonnell offices, 617 Chestnut Street, who are the local distributors of "Optimo." Mr. Caro will proceed from Philadelphia to the southern territory, calling on the jobbers and retailers.

TOBACCO INDUSTRY

(Continued from Page 17)

decline in profits, along with other major cigar producers.

The manufacture of smoking, plug and chewing tobacco declined steadily during the year, but because these products, in the main, are manufactured by the larger cigarette companies, or companies without public ownership, the effect of that decline will not be discernible in earnings statements.

Snuff Up Some

Snuff production for the first eleven months gained slightly over the 1929 totals but declined from the record total of 1928. Consequently, indications are that the three principal snuff producers, the American Snuff Company, the George W. Helme Company and the U. S. Tobacco Company will show earnings at least as good as those for 1929, and, possibly, some increases.

Before the year opened, considerable was heard about the tobacco business being depression proof. The year has demonstrated that certain products, principally cigarettes and snuff, probably are as "depression proof" as any industry.

Fashions Change

The decrease in the output of manufactured tobacco probably was due, chiefly, to shifting fashions in the use of tobacco rather than to economic reasons. In fact, economic reasons would favor the use of manufactured tobacco, because smoking tobacco, rolled into cigarettes, is cheaper than ready rolled cigarettes, while pipe-smoking is also cheaper.

The decline in the consumption of cigars, however, probably is more directly attributable to business conditions prevailing throughout the country during the year.

FEBRUARY 1, 1931

VOLUME 51 No. 3

THE TOBACCO WORLD

LIBRARY RECEIVED FEB 4 - 1931 U.S. Department of Agriculture

Research Discloses No Economical Substitute For

The Wooden Cigar Box

The new AUTOKRAFT wooden cigar box is the result of ceaseless research—research to provide the best possible container for cigars. The practical economies of this package are not matched by substitute containers.

Almost any cigar box looks all right when it comes to the packing room, but the appearance of the package and the condition of the merchandise when it reaches the retailer's counter or the smoker's library table is something else again.

The distinctive appearance of the AUTOKRAFT wrapped wooden cigar box creates additional advertising values; accuracy of dimensions and added strength of construction offer greater protection to the product; AUTOKRAFT methods of fabrication retain the freshness of the cigar as never before.

These are a few of the economies which users of AUTOKRAFT wooden cigar boxes enjoy. AUTOKRAFT wooden cigar boxes advertise and protect many of the leading cigar brands of this country.

May we tell you in detail about the economies of the new AUTOKRAFT wooden cigar box and the benefits of our nation wide service? Your inquiry will speed a representative to you.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.
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PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

"Well Packed—Half Sold"

Applies to Cigars more than any other form of merchandise.

The size, shape and color of cigars are features that play an important part in their sale.

There is no better way to attract smokers who are particular about these points than to keep your cigars fully in view, for approval and comparison.

Let the customer see the sales points of your brands (size, shape and color) at a glance—by packing your cigars in Wooden Boxes.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 3

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, FEBRUARY 1, 1931 — Foreign $3.50

CUBA ENACTS NEW TOBACCO TAX LAW

ON January 21st the Cuban Senate and House of Representatives passed a bill which levies the following taxes on cigars, cigarettes and tobacco:

A. Each 1000 cigars destined for exportation and whose weight exceeds three pounds, will pay $1.

B. Each 1000 cigarettes weighing not more than three pounds destined for exportation, will pay 10 cents.

C. Each 1000 of prepared cigars, destined for interior consumption, will pay according to the following scale of value:

Up to $20 a thousand	$2.00
More than $20 a thousand and up to $80	3.00
More than $80 a thousand and up to $160	4.00
More than $160 a thousand and up to $240	6.00
More than $240 a thousand	10.00

D. Each package containing up to 16 cigarettes destined for interior consumption, will pay three-quarters of one cent.

E. Each package that contains up to 16 imported cigarettes will pay in addition to the customs duties on interior consumption, 5 cents.

F. Each package of smoking (cut) or chewing (plug) tobacco manufactured in the country, will pay 10 cents per pound.

G. Each package of smoking (cut) or chewing (plug) tobacco, imported, will pay 15 cents in addition to the customs duties on interior consumption.

H. Each bale of tobacco or packet exported will pay in accordance with the following scale of value:

Value up to $12	$ .25
Value at more than $12 and up to $60	.75
Value at more than $60 and up to $75	1.00
Value at more than $75 and up to $200	2.00
Value at more than $200	3.00

These fees will be increased in the case of the exportation of unstemmed tobacco, by 30 per cent. of the previous scale.

This bill is sponsored by President Machado as an emergency tax measure, and the president is empowered to establish the date when the new rates will become effective.

After this new bill becomes effective, Provinces of Cuba may not tax tobacco.

January 29, 1931.

We are just in receipt of a cable from the American Chamber of Commerce of Cuba, reading as follows:

"Tax measure passed and signed by President. Tax on exported bales of tobacco and unstemmed tobacco eliminated. Tax on cigars and cigarettes remains.

"Tobacco Merchants Association
of the United States."

UNITED CIGAR STORES STRICKEN FROM AMERICAN'S DIRECT LIST

AN announcement which occasioned some surprise among the trade was made last week by the American Tobacco Company to the effect that the United Cigar Stores Company was no longer on the list of firms which were sold products of the American Tobacco Company direct.

It was reported that the action was taken by the American Tobacco Company because of a special deal entered into by the United Cigar Stores Company whereby a package of five razor blades and two packages of cigarettes were to be sold to a customer for fifty cents. The deal included three of the popular brands of cigarettes, but did not include "Lucky Strikes."

Following the decision the following telegram was forwarded to tobacco jobbers by the American Tobacco Company:

"For reasons that will be eventually apparent to you we have this day discontinued United Cigar Stores Company as a direct buyer. This telegram is to advise you of this fact and to state, of course, we have no objection your selling our merchandise to United Cigar Stores under such terms and conditions as are satisfactory to you."

An official of the United Cigar Stores Company stated that his company would continue to sell American Tobacco Company products, and no other statement could be procured from either officials of the American Tobacco Company or the United Cigar Stores Company.

However, the United special sale of cigarettes and blades was withdrawn on Wednesday, and the Schulte Cigar Stores promptly returned their prices to 13 cents a package two for a quarter, instead of the price of eleven cents a package which they maintained during the special sale of the United, so that conditions are somewhat better again.

DR. McCANN DIES

Dr. Alfred W. McCann, pure food expert, who figured prominently in the advertising of the "Cremo" cigar about a year ago, died suddenly last week of heart disease.

Funeral services were held on Thursday. He was fifty-two years old.

"LUCKY STRIKE" SALES INCREASE

Last week the American Tobacco Company reported December sales of its leading brand increased 653,108,000 over the same month of 1929, and sales for the year 1930 increased 6,219,766,000 over the previous year.

PHILADELPHIA.

PHILIPPINE AGENT IN TOWN

A RECENT visitor in Philadelphia was Dave Morris, who assists Charlie Bond in the management of the Manila Ad Agency in New York City, and also tobacco agent for the Philippine Government.

Dave was making the rounds of the trade here in the interest of Manila cigars, and you don't have to talk to Dave very long before he convinces you that there are some mighty high grade cigars made in the Philippines, and that it will pay the jobber and retailer a handsome profit if he handles some of these goods as they are easily sold and sure repeaters.

Dave does not take any orders for cigars, but he can tell you exactly where to procure any Manila brand you may be interested in, and, indirectly, he sells many millions of Manila cigars each year.

CONGRESS JANUARY BUSINESS AHEAD

Willis Andruss, sales manager for the Congress Cigar Company, reports January sales of "La Palina" cigars show a substantial increase over the same month of last year, and prospects for the year 1931 are excellent.

Harry Kenyon, of Wilmington, Del., has just been appointed sole distributor of "La Palina" cigars for Wilmington territory, where this brand has been enjoying a splendid demand.

Emil Harmes, of the Peter Hauptman Tobacco Company, St. Louis, was a recent visitor at Congress headquarters, as were also George Scrambling and J. A. Carver, sales manager, of the George B. Scrambling Company, Cleveland.

The new blunt size of the "La Palina" just released in the upright packing is enjoying a splendid volume of sales.

Samuel Paley has just returned from Havana where he has been attending to the purchase of some fine Havana tobacco which will assure a continuance of the splendid quality of "La Palinas" for sometime to come.

Jacob Paley left for Havana on Wednesday where he will spend a short vacation.

HOLT IN FLORIDA

Arthur Holt, the job lot king, who operates a cigar store in Penn Square and one at Fourth and Chestnut Streets, is on a visit to Tampa visiting the factories there and combining business with pleasure.

ENCOURAGING OUTLOOK AT BAYUK'S

J. H. WAGNER is assisting the Fort Worth, Texas, branch of Bayuk Cigars, Inc., in special sales work in that territory on Bayuk, "It's Ripe Tobacco" cigars, with splendid results.

Roy Barkman is associated with Bayuk's as a territorial manager for the State of Michigan, and is on a general visit with the trade on Bayuk cigars throughout that region.

J. A. Brown recently joined the sales organization and is looking after the distribution and sale of company's brands in the Chicago territory.

Samuel Bayuk has just returned from Cuba a few days ago after looking over some of the quality crops used in the Bayuk process of cigar manufacturing.

The new perfecto size of the "Charles Thomson" brand, recently launched, is very thoroughly displayed in Philadelphia and is repeating in a most gratifying manner, as is evidenced by the volume of orders that the company is getting.

VISITORS BEGIN TO ARRIVE

At John Wagner & Sons headquarters, Dock Street, I. B. White, manager of the cigar department, reports very good business for this season of the year, with all brands showing a steady demand.

Visitors at Wagner headquarters last week included, Steve Hertz, of D. Emil Klein Company, New York; Sam Adler, of the Villazon factory, Tampa; Mr. Heineman, of Perfecto Garcia, Tampa; A. M. Garcia, and his factory representative, Mr. Alonzo, of Garcia & Vega, Tampa, and Albert Reichert, of the Carl Upmann factory, Miami.

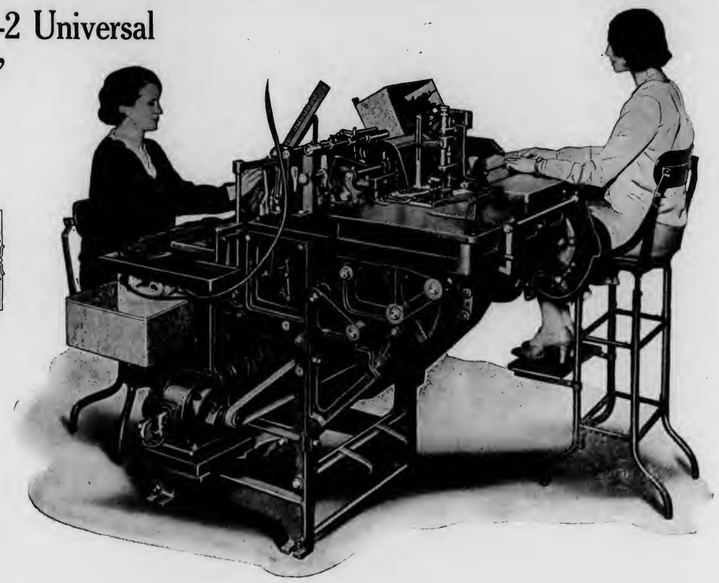
All these brands are reported as showing a gratifying sale at this time, and excellent prospects for a splendid increase over 1930.

AUTOKRAFT OFFICIALS VISIT

Officials of the Autokraft Box Corporation, whose headquarters are in Lima, Ohio, were visitors in Philadelphia last week, in the persons of Harry W. Buckley, president, of Lima, Ohio, and Wm. D. Rosenberger, vice-president, of Chicago. These officials made a tour of inspection of their new branch factory building at Swanson and Porter Streets, which will be ready for occupancy in the very near future, and expressed the opinion that the business outlook was showing a substantial improvement.

The New Model S-2 Universal "Cross Feed Type" Long-Filler Bunch Machine

Large and small size filler can be readily worked together, and two or more different kinds of filler may be blended as the tobacco is being fed into the cross feed of the Machine.



WE list here a few of the important and highly efficient features of the Model S-2 Universal "Cross Feed Type" Long Filler Bunch Machine:

A—The filler is fed into the trough of the Cross Feed in a continuous stream and automatically cut to the proper length, insuring well filled out bunches throughout their entire length.

B—Automatic in its operation, it feeds, and cuts the filler to length, sizes the bunch and rolls the filler in the binder. The only hand operations are the laying of the binder on the rolling table and placing the filler in the feed trough.

C—The Suction Binder Equipment assures an increased yield of binders also smoother and more perfectly rolled bunches.

D—Produces well-conditioned, spongy, free-smoking bunches—the equal of hand work in every respect.

E—Good-conditioned bunches are assured by "laying up" the filler mechanically in exactly the same way as is done by hand; a few sprigs of filler being intermittently added until the bunch is built up to the proper size and condition.

F—Easily and quickly adjusted for any size or length of bunch or for right or left hand bunches.

G—Any shape or size bunch can be made on the same machine with slight mechanical changes.

H—Can be used on mold work or in conjunction with the Universal Model "R" and other Automatic Cigar Rolling Machines.

I—Quickly and accurately adjusted to different conditions of filler.

J—Assures uniformity of bunches at all times in both size and weight.

K—Sturdy and simple in construction—easy to operate and handle. Requires no expert mechanical attention.

THIS, our latest Long Filler Bunch Machine, the Model S-2 "Cross Feed Type", has been subjected to the severest practical factory tests in the making of high grade cigars in large and small Clear Havana factories, as well as factories where Domestic and Blended Filler are used, with the result that its performance has come up to the highest expectations, both as to quantity and quality of product.

The "Cross Feed" method of feeding eliminates faulty bunches, from the standpoint of weak heads, tucks or soft spots in the body of the bunch. It also eliminates the cutting up of fillers—no shorts are produced by the machine, that would ordinarily have to be worked up in the bunch. The filler is fed into the trough of the "Cross Feed" in a continuous stream, and automatically cut to the proper length. The filler is fed into the "Cross Feed" trough in a way that makes necessary the lapping of the leaves and thus the building up of the bunch in exactly the same manner as the hand worker does. Cigar manufacturers will readily realize the importance of this, where small size filler is used (second and third size Havana). This also holds true on all Havana and domestic fillers.

The price of the Model S-2 "Cross Feed Type" Universal Long Filler Bunch Machine, equipped with Two Posture Chairs, Individual Drive, ¼ H. P. Motor and complete Suction Equipment, is $2,325.00. F. O. B. our factory, Newark, N. J.

Rebuilding Model T "Blending Type" Universal Long Filler Bunch Machines into Model S-2 "Cross Feed Type" will cost $1,000. Doing the same with Model S "Standard Type" Universal Long Filler Bunch Machines will cost $750 F. O. B. our factory, Newark, N. J.

Convenient Time Payment Terms in United States and Canada.

UNIVERSAL TOBACCO MACHINE COMPANY, 40 East 34th Street, New York

P. R.-AMERICAN EARNINGS

THE Porto Rican-American Tobacco Company reports earnings for the second half of 1930 of more than sixty cents a share on the B stock, as compared with $383,962, or fourteen cents a share in the first half, after allowing for only regular dividends on the Class A, on which dividends of eight-seven and one-half cents a share remain accrued.

Net for the full year was approximately $865,000, or seventy-six cents a share for the 200,000 Class B shares after regular $3.50 annual dividends on the 203,750 shares of Class A outstanding. In 1929 the company earned $1,648,927, or $4.68 a share on the B.

The Porto Rican-American is reported to have been taking advantage of the low securities market to increase its holdings in the Congress Cigar Company, having purchased more than 10,000 shares during the year. Congress in the last quarter of 1930 earned about $1.56 a share on 350,000 shares, against earnings of seventy-six cents; $1.11 and $1.32 in the first, second and third quarters, so that the years net will be about $1,660,000, or $4.75 a share, as compared with $2,882,116, or $8.23 a share in 1929.

The Porto Rican-American is also said to have added slightly to its holdings in its other chief subsidiary, Waitt & Bond, Incorporated. Waitt & Bond has done relatively better in sales through 1930 than most other cigar companies, though its earnings will show a decline.

The parent company has also been buying its own bonds, which have been selling in the sixties, and acquired over $500,000 of them during the year, satisfying sinking fund requirements for nearly two years ahead.

RABINOWITZ TO JOB "CHARLES THE GREAT"

Last week it was announced that Rabinowitz Brothers, of New York, had taken over the distribution of the "Charles The Great," manufactured by Salvador Rodriguez, Incorporated, and the "Corina" and "Idolita" brands, manufactured by Jose Escalante & Company.

These brands were formerly handled in New York by Park & Tilford and a splendid distribution has already been effected, but since Park & Tilford announced that they would discontinue their cigar department after the first of the year, the announcement of the name of the new distributor of these popular brands has been awaited with much interest by the trade.

The Rabinowitz firm is in a splendid position to show a substantial increase in the sale of these brands during the year 1931.

AHRENHOERSTER RESIGNS FROM A. B. S.

Frank Ahrenhoerster, widely known in the cigar and cigar box industry, and for many years connected with the American Box Supply Company, of Detroit, has resigned from that company.

Frank has a wide acquaintance among cigar and cigar box manufacturers in the east, and is a salesman of outstanding ability.

His home address is 1328-a Ohio Avenue, St. Louis, Mo., and anyone who can use a first-class salesman can reach him at that address.

New Words are included in WEBSTER'S NEW INTERNATIONAL DICTIONARY

such as *altimeter, insulin, robot, ethyl gas, Cather, Sandburg, etc.*

452,000 Entries 6000 Illustrations 2700 Pages

The NEW INTERNATIONAL is considered the "Supreme Authority" wherever English is used

Send for free new illustrated pamphlet

G. & C. Merriam Co. Springfield, Mass.

TRI-STATE MEMBERS TO RECEIVE CASH

Judge I. M. Meekins, in United States District Court, at Raleigh, N. C., last week ordered the distribution of $612,736 to the members of the defunct Tri-State Tobacco Growers' Co-operative Association.

In the order, the judge stated that the receivers had certified to him that the amount could be distributed to the members, and that sufficient money would be left to pay the unpaid expenses of the receivership.

The association has been in receivership since 1926, and between 35,000 and 40,000 tobacco farmers are expected to share in the distribution of this sum.

The members will have thirty days to complain of any inequalities in the distribution they may find.

"EL PRODUCTO" CONFERENCE

The annual sales conference of division managers and branch house managers, was held this year at the Bellevue-Stratford Hotel, with Frank P. Will, executive vice-president and general sales manager in charge. Mr. Will outlined the sales policy and plans for 1931, which give every promise of producing a substantial increase in sales of "El Producto" cigars for this year.

David M. Jenks, formerly in charge of sales in the Middle West district, with headquarters in Detroit, has been made assistant sales manager and will make his headquarters in Philadelphia in the future.

LAVENSON FORCED TO RETIRE

Isaac Lavenson, who recently announced that he would become actively associated with G. Zifferblatt & Company, manufacturers of the "Habanello" cigar, soon after the first of the year, has been forced to abandon his plans in that respect due to the advice of his physician, and because of a relapse which he recently suffered after partially recovering from a prolonged illness.

D. EMIL KLEIN EARNINGS

The D. Emil Klein Company, New York, manufacturers of "Haddon Hall," "Emanelo," "Nottingham," etc., reports net profit of $377,294 after taxes and charges for the year ending December 31st, which is equivalent, after preferred dividends, to $3.10 a share on the common stock, compared with $414,414, or $3.44 a share for 1929.

SUNSHINE MELLOWS Heat Purifies

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

LUCKIES are always kind to your throat

Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—the finest cigarette you ever smoked, made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED." Everyone knows that heat purifies and so "TOASTING"—that extra, secret process—removes harmful irritants that cause throat irritation and coughing.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks

"It's toasted"

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

LEGISLATION amending the Revenue Act of 1926 by reducing the taxes on cigars, cigarettes and tobacco has been introduced in the House of Representatives by Congressman Abernethy of North Carolina.

The rates on cigars carried in the legislation are 60 cents per thousand on cigars weighing not more than three pounds per thousand; $1.60 per thousand on cigars weighing more than three pounds per thousand retailing at not more than five cents each; $2.40 per thousand on cigars retailing at between five and eight cents; $4 per thousand on cigars retailing between 8 and 15 cents; $8.40 per thousand on cigars retailing between 15 and 20 cents, and $10.80 per thousand on cigars retailing at more than 20 cents.

The tax on cigarettes weighing not more than three pounds per thousand would be reduced to $2.40 per thousand and on cigarettes weighing more than three pounds per thousand to $5.76 per thousand. The tax on tobacco and snuff would be reduced from 18 cents to 14 cents per pound.

The bill has been referred to the House Committee on Ways and Means, but it is not anticipated that it will receive any consideration in view of the announced policy of congressional leaders to avoid all tax legislation this year. In view of the fact that it has been found impossible to continue for income of 1930 the cut of one per cent. made in the normal rate for income of 1929, it is not likely that any legislation reducing other taxes would be favorably considered at this time.

Changes May Be Made in "Code of Ethics"

Some difference of opinion as to the changes to be made in the so-called "codes of ethics" drafted by something over 100 industries, undertaken some months ago as a result of representation that the existing codes, as originally drawn, were possible of interpretation in such a way as to violate the antitrust laws, appears to exist among the members of the Federal Trade Commission.

The rules, which it is proposed to change, cover, in one way or another, prices and practices which have been the subject of antitrust litigation. Such rules, including the banning of secret rebates, etc., it has been pointed out, might be construed as price-fixing. The problem has been difficult of adjustment, but the proposed changes were taken under consideration by the commission some weeks ago, since which time no announcement has been made regarding the action taken.

The delay, it now develops, has occasioned many inquiries as to when the commission is going to make public the changes it has in contemplation. Not all of the members, it appears, are ready to vote on these changes.

Discussing the matter of the new rules, Commissioner W. E. Humphrey has declared his willingness to vote on the changes, and holds that the trade practice conference rules, under the method of their adoption, constitute an agreement between the competitors who sign them, and that any agreement among competitors to the effect that they will not use any specified lawful method of competition is a contract in restraint of trade. "It is not the province of the commission," he declares, "to determine the degree of such restraint, unless the matter is properly presented in a case pending before it.

"I believe," the commissioner continued, "that all of the rules in which the commission has made changes, without such changes would be illegal for the reasons above stated. There is, of course, the probability of some error through inadvertence in applying the principles above stated to something over 1500 separate rules.

"I am ready now, and have been for many weeks, to vote on the changes proposed in each rule of the various conferences, and to give to the public and the different industries interested, our decision."

Chain Store Tax to Be Decided by Supreme Court

The right of a state to impose upon chain store organizations a special tax for each store operated in excess of one is to be decided by the United States Supreme Court, with which a petition has just been filed by a number of chain store companies in various lines challenging the constitutionality of the North Carolina law imposing a tax of $50 on each and every store operated by them in excess of one.

Suit to recover money paid under this tax law was brought in North Carolina in August, 1929, the state courts upholding the constitutionality of the statute. It was claimed by the companies that the tax was discriminatory, but the courts held that the classification of their business for the purpose of the tax was not arbitrary or unreasonable and did not violate either the state or federal constitution.

The case was appealed to the Supreme Court on the grounds that the statute arbitrarily imposes a tax upon chain stores which is not imposed upon the similar business of competitors operating only one store, thereby infringing upon their constitutional rights.

The case has aroused a great deal of interest as an opinion by the United States Supreme Court holding the tax was constitutional might well be followed by the enactment of similar legislation in other states.

(Continued on Page 14)

Get a load of this...

BACK your pipe up to a tidy red tin of Prince Albert and chute in a load of sunshine. Hold a match to the flue and pull that blissful blue smoke up the stem. You *know* it's going to be like that the instant you open the tin and get P. A.'s fragrance full in the face.

What a taste! What a joyous justification of the jimmy-pipe! Cool as a ticker-tape bringing bad news. Sweet as a rally that hands you a profit. Mellow and mild and refreshing, down to the last bit of ash in the bowl. A pipe-tobacco with a pedigree, Men, and no fooling.

Any way you take it . . . pipe or roll-your-own . . . Prince Albert promises the contentment that only this *better tobacco* can bring. Try it and *see*. You can load-up and light-up from shower to sheets, and enjoy every wonderful, joy-wadded puff.

No other tobacco is like it.

PRINCE ALBERT

—the national joy-smoke!

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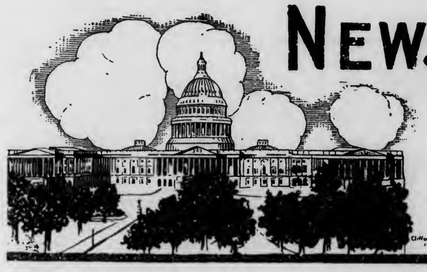

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PRINCE ALBERT

—the national joy-smoke!

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INTENTIONAL SECOND EXPOSURE

NEW "LA PALINA" PROGRAM

A NEW series of "La Palina" programs sponsored by the Congress Cigar Company of Philadelphia, to be known as "Daddy and Rollo," will have its debut over the WABC-Columbia network, Tuesday, February 3, from 7:45 to 8 P. M., and subsequently will be heard every Tuesday, Wednesday and Thursday at the same time. "Daddy and Rollo" replaces "La Palina Smoke Dreams" which hitherto has been presented every Wednesday night.

J. P. McEvoy, whose humorous stories have appeared in nationally circulated magazines and in book and play form, is the author of these fifteen-minute script acts. Among McEvoy's better-known titles are "Show Girl," "Show Girl in Hollywood," "The Potters" and "Mister Noodle."

Although McEvoy has himself appeared over the radio in short talks, this marks the first time that he has written expressly for broadcasting purposes. Now under long-term contract with "La Palina" to create "Daddy and Rollo," he has gone to Havana to write these sketches which will be forwarded to the Columbia studios in New York City.

"Daddy and Rollo" is regarded as an innovation in dramatic programs. With only two characters, a father and his precocious eleven-year-old son, these broadcasts will depict a series of amusing situations between the two. The boy, bright, worldly and, unfortunately for his parent, interrogative, is continually delving into the "hows and whys" of the world and its people. In pursuit of knowledge, both for his own information and his school work, he calls upon his father for aid. "Daddy," a typical business man who wishes to appear as big brother to his son, endeavors to satisfy "Rollo's" thirst for knowledge. However, his intentions far outweigh his intellectual prowess, and, as a result, "Rollo" draws his father into one embarrassing predicament after another.

LIGGETT & MYERS DECLARE EXTRA

The Board of Directors of the Liggett & Myers Tobacco Company on Wednesday declared an extra dividend of $1 on common and "B" stocks, payable March 2d to stock of record February 9th. A similar disbursement was made last year.

While the company's total net income showed a substantial gain over 1929, earnings per share in 1930 were smaller owing to the increase in capitalization with last February's offer of rights to subscribe to additional class B shares in the ratio of one new share for each five held at that time.

Liggett & Myers Net Up

Liggett & Myers reported net income of $24,002,315 for the year after all charges and Federal taxes, equal after 7 per cent. preferred dividends, to $7.15 a share earned on 3,136,919 combined common and common B shares of $25 par values. This compares with $22,017,128 or $7.82 a share earned on 2,614,238 combined shares in 1929.

The company wrote off $40,709,710 carried on the balance sheet at the end of 1929, this item appearing in the December 31, 1930, balance sheet at $1. Despite this write-off profit and loss surplus at the end of 1930 aggregated $28,212,023 compared with $20,424,883 at the end of 1929. Total assets as of December 31, 1930, amounted to $174,793,201, compared with $160,122,856 at the end of 1929.

"LUCKY STRIKE" RADIO ANNOUNCER STUDIES PRODUCT

ED THORGERSEN earned his title as radio's most convincing announcer, officiating at the "mike" during the "Lucky Strike" dance programs. His interest in this job transcended the mere mastery of diction and led him to a study of the product behind the program. He speaks with the authority of deep personal conviction and it takes no extra effort on his part, he says, to put this note into his lines.

When the first "Lucky Strike" programs went on the air during the latter part of 1928, Thorgersen set his cap for them. He studied the mood of the programs and practiced announcing them in private. His opportunity came when John B. Daniels, one of his close friends and in his opinion the premier announcer of the air, died, leaving a vacancy. In a competition with other available announcers, Thorgersen's ambition was realized; George W. Hill, president of the American Tobacco Company, chose him as the man whose voice came closest to fitting the mood of the program.

Once installed in his favorite program Thorgersen's interest only began. He made it a point to visit the factories and study the methods of cigarette manufacture. He was especially interested in the widely heralded toasting process. It is told of him, that his all-consuming interest in the toasting process almost brought him to grief when he came too close to some of the condensers containing the harmful poisons and irritants removed from the tobacco and the fumes almost overpowered him and made him momentarily sick.

After his factory visits, Ed's voice took on the sincere conviction which has become so familiar to radio listeners. Often he suggests improvements in wording which make for greater smoothness in his delivery. His interest and enthusiasm were soon recognized by the select committee which watches closely over the "Lucky Strike" programs and now Thorgersen sits in the counsels of that committee contributing his bit to the preparation of the programs.

Not so long ago Thorgersen's work was rewarded by the National Broadcasting Company, and he was placed in charge of the staff of announcers. The additional demand on his time which his new duties entailed in addition to his other work soon forced him to decide whether he would continue with his executive work or his announcing. Without hesitation he chose to continue his announcing.

The income account and balance sheet compare as follows:

Income account for 1930 compares as follows:

	1930	1929
Net after Fed. taxes	$25,691,470	$23,720,288
Deductions	20,288	25,106
Interest	1,668,867	1,678,055
Net income	$24,002,315	$22,017,127
Preferred dividends	1,575,987	1,575,987
Common dividends	14,639,188	13,071,190
Surplus	$7,787,140	$7,369,950
Previous surplus	20,424,883	53,764,643
Total surplus	$28,212,023	$61,134,593
Good will write down		40,709,710
P. & L. surplus	$28,212,023	$20,424,883

H. E. BAIR DIES SUDDENLY

HOWARD E. BAIR, well known to cigar manufacturers in the East as a member of the firm of H. E. Bair & Company, cigar box manufacturers of Hanover, Pa., died suddenly at his home in Hanover last Tuesday following a heart attack.

Funeral services were held on Friday, from his late home in Hanover.

The firm of H. E. Bair & Company was discontinued about a year ago and Mr. Bair retired from active business, and his partner in the firm, Rouel K. Hoke, became engaged in the coal and feed business with Mr. Bair's son in Hanover. Just a few weeks ago, Mr. Hoke was found dead on a deer stand in the woods above Hanover, and it was found that his death was due to the accidental discharge of his gun which was found to be faulty.

CHARLES F. SMITH DIES

Charles F. Smith, tobacco broker and prominent citizen of McSherrystown, Pa., died at the Hanover General Hospital on January 14th, where he had been a patient for about a week.

Mr. Smith had been in declining health, suffering from a heart condition for the past year, but had been confined to bed only since Christmas.

Mr. Smith was a director of the Farmers' State Bank and was well known for his many acts of charity. He was active in all enterprises which were gainful for his town and was also greatly interested in athletics. He served as manager of St. Mary's baseball team, a semi-professional team, in 1900 and for several years prior.

He was employed as a salesman for the American Sumatra Tobacco Company.

He is survived by his widow, Mrs. Laura Smith, twelve children and six grandchildren. He was sixty-one years old.

FRANK SWICK IN TOWN

Frank Swick, of the Health Cigar Company, New York, was in town this week and stopped in at Yahn & McDonnell headquarters. He reports sales of his "Sano" cigar holding up well.

Mr. Caldwell and Mr. Simons, of the American Tobacco Company, were visitors in town in the interest of "Cremo" cigars.

IMPERIAL TOBACCO DIVIDEND

The Imperial Tobacco Company of Great Britain and Ireland, Limited, has declared a final common dividend of 9 per cent. and bonus of 1s. 6d., both tax free, making 23½ per cent. for the year, against 23 per cent. during the previous year.

Preliminary statement for the year ended October 31st shows £500,000 carried to general reserve account and £1,190,000 carried forward.

HARRISON ON VACATION

C. A. Harrison, manager of the General Cigar Company distributing branch on Brown Street, is on a motor trip through the South and will spend sometime at Florida resorts before returning to his desk. In the meantime, sales of "Robert Burns," "Wm. Penn" and "White Owl" are humming merrily along with good prospects for a big year ahead.

As One Tobacco Expert To Another

WE ASK YOU, isn't it true that a tobacco has to be good to succeed?

SIR Walter Raleigh has certainly succeeded. If you haven't felt your full share of this success, we urge you to stock up now. We have books full of records showing increasing popularity of this mild tobacco.

Brown & Williamson Tobacco Corporation
Louisville, Ky.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

MORROW MAY HEAD WARD BAKING

ELECTION of George K. Morrow, chairman of the Board of the Gold Dust Corporation, and also of the United Cigars Stores Corporation, to the same post in the Ward Baking Company was expected last week as a result of the ousting early Wednesday of the present management, including ten of the twelve directors of the Ward Baking Company.

The action was the climax of a fight in progress nearly a year. It came at the end of two days of counting proxies to determine whether a special stockholders' meeting, which opened Monday, was legally called and whether a quorum was present.

Ralph S. Kent, the president, and W. C. Evans, chairman of the board, were removed by the vote, which followed a report by tellers that 485,340 of the approximately 864,000 outstanding shares of voting stock were represented at the meeting. The annual meeting of the corporation, holding company for the Ward Baking Company, which operates some thirty plants, is scheduled for February 12th.

An effort was made Saturday to halt the meeting by means of an injunction, and when this was denied, an appeal was taken, but Evans said today that he did not mean to carry the fight any further.

The only members of the old board retained were C. B. Comstock, of New York, and E. W. Gwynner, Pittsburgh, who issued the call for the special meeting.

EXTRA FOR AMERICAN TOBACCO

Directors of the American Tobacco Company on Wednesday declared an extra dividend of $1 on the common and common "B" stocks of the company, in addition to the regular quarterly dividend payment of $1.25.

A statement issued said that although final figures for the year's operations are not complete, it is evident net earnings for 1930 will not be less than $42,500,000.

The directors also voted to sell 56,712 shares of the company's stock to employees at par. The action was taken under authorization voted by stockholders last July empowering the directors to sell stock to employees.

The regular rate being paid on the present American Tobacco shares is higher than that in force last year, being equivalent to $10 annually on the old common stock, against $8 annually actually paid in regular dividends on the old common shares. The stock was split two-for-one last July and the new common shares were placed on a $5 annual basis. An extra of $4 was paid on both classes of old common stock on September 2 and $2 extra was paid in December, 1929.

WALTER WOOLFSON'S FATHER DIES

Walter Woolfson, sales manager for Corral Wodiska y Ca., is receiving the condolences of his many friends in the trade over the death of his father, Jacob Woolfson, who passed away at his home in Brooklyn, following a long illness of heart trouble.

Mr. Woolfson was well known in Brooklyn and New York, where he had been connected with the cigar industry for many years, first as a cigar store owner many years ago, and later as a cigar salesman. He had represented E. Regensburg & Sons for many years before his retirement, about two years ago.

He was sixty-seven years old.

REYNOLDS IN STRONG FINANCIAL POSITION

COMPLETING a decade of uninterrupted growth, the R. J. Reynolds Tobacco Company, for the year ended December 31, 1930, reported the greatest earnings in its history and the greatest earnings ever reported by an American tobacco company. Its net profit for the year amounted to $34,256,665, an increase of $2,046,144, or 6.3 per cent., over the $32,210,521 earned in the previous year. During the ten years of consecutive earnings advances, Reynolds raised its net profit from $10,691,294 in 1920 to last year's figure, a total gain for the period of $23,565,371, or 220.4 per cent.

Dividend payments by Reynolds in 1930 reached the record total of $30,000,000, yet despite the magnitude of these disbursements, Reynolds completed the year in unusually strong financial position, with cash in excess of $33,000,000 and with a ratio of current assets to current liabilities of 12.7 to 1, or a slightly better figure than that which prevailed at the end of 1929.

While Reynolds' 1930 earnings established a new high record they did not equal early 1930 estimates based on what was understood to be the then current rate of production of "Camel" cigarettes and the increased profit margin to be obtained in 1930 from the higher price for cigarettes established in October, 1929. Such figures were, of course, only approximations and were based on unofficial estimates of production. Naturally, at the start of 1930 such estimates could not take into consideration the failure of cigarette output during the year to show a normal increase, or any changes in the share of total business obtained by the individual companies.

Inaugurated New Sales Campaign

A further factor in Reynolds' showing in 1930 was its new campaign of advertising on the "Camel" cigarette. Expenditures on this line undoubtedly absorbed part of the added income obtained from the cigarette price increase. It would appear, however, from the moderate increase in earnings, that at best the volume of sales of "Camel" cigarettes in 1930 was maintained at the 1929 level.

The following table compares earnings, dividend payments and per cent. of earnings paid in dividends since 1925:

Year	*Earnings*	*Dividends.*	*Per cent. in Dividends*
1930.....	$34,256,665	$30,000,000	87.5
1929.....	32,210,521	25,500,000	79.1
1928.....	30,172,563	26,000,000	86.1
1927.....	29,080,665	26,000,000	89.4
1926.....	26,249,403	15,200,000	57.9
1925	25,221,579	11,800,000	44.0

Earnings of Reynolds Tobacco Company in 1930 brought the earnings of the company for the 17 years since January 1, 1914, up to $315,783,932, during which period the company has paid out cash dividends amounting to $192,581,250.

Before the close of 1929 Reynolds Tobacco Company had purchased approximately 400,000 shares of its common B stock, which it carried in its balance sheet in the account "Investments in non-competitive companies." Almost all of this item was represented by the common B stock. Last year Reynolds sold privately a block of this stock, at a price to yield it a profit. This profit was applied to a reduction in the cost of the shares still held. As of December 31, 1930, the balance sheet carried this item at $9,455,147. The block of its

(Continued on Page 16)

BOX STUFFERS GET HEAVY FINE

In Pittsburgh last week a cigar retailing firm, including three officials of the firm and a store manager, were fined a total of $7200 by Judge Gibson, in Federal Court, on a charge of bootlegging stogies, and placed on probation for a year.

Internal Revenue Department agents testified that stogies of another make had been placed in boxes and sold as Marsh & Pollack stogies. Costs of the prosecution were also assessed against the firm.

The firm was fined a total of $1600 on four counts; one of the officials was fined a total of $2500 on six counts, and the manager of one of their stores was fined $600 on two counts.

Another official was fined $1800 on four counts, and still another official was fined $700 on two counts.

Five other persons who pleaded guilty to the charge a short time ago were fined $50 each and placed on probation for a year.

MORE SMOKING IN DINING CARS

Beginning January first, another railroad has let down the bars and permits smoking in their dining cars. The Boston & Maine Railroad last year conducted a month's poll to determine the sentiment of their patrons and found that 78 per cent. of their passengers were in favor of smoking and but 22 per cent. were against the practice. Seventy-four per cent. of the women and 80 per cent. of the men favored smoking with their meals.

PALEYS LISTED FOR TAX REFUNDS

Among the list released recently of those persons and firms who will receive refunds on revenue taxes paid to the United States Government during the year 1930, were the names of Benjamin Paley, Third and Spruce Streets, Philadelphia, $2635.26; Mrs. Blanche Paley, $15,704.93; Mrs. Goldie Paley, $15,704.93, and Mrs. Lillian Paley, $11,012.91.

S. M. DOWNS DEAD

Samuel M. Downs, head of the firm of S. M. Downs & Son, Felton, Pa., cigar manufacturers, died at the York Hospital on December 18th following an illness of lobar pneumonia.

Mr. Downs was active in the civic and fraternal affairs of his town and was also well known as a true sportsman.

He was fifty-four years old.

FRANCE SMOKES 400 PER CAPITA

According to reports, about 16,000,000,000 cigarettes were smoked in France in 1929, an average of about 400 for each man, woman and child.

Cigars consumed reached a figure of 329,000,000.

OLSTER FILES SCHEDULE

A schedule of assets and liabilities has been filed by David L. Olster, Juniper and Sansom Streets, against whom a bankruptcy petition was recently filed, showing assets of $8592 and liabilities of $44,206.

CUBA'S EXPORTS DECREASE

Cuban tobacco exportations in December, 1930, totaled $2,157,486. The total for the year was $33,540,575, a decrease of $4,338,190 from 1929.

MURIEL
CIGAR

2 for 25¢ Size
Now 10¢
Made by Machine...
100% Clean
MADE BY P. LORILLARD CO.

LA PALINA
JAVA WRAPPED
THE SECRET OF THE BLEND
made good
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
CONGRESS CIGAR CO., Inc., PHILADELPHIA, PA.

"BEST OF THE BEST"
OPTIMO
VERY MILD
VERY MILD
CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

Hearings to be Held on Postal Rate Increases

Proposals of the Postmaster General for a general revision of the rates and regulations governing the handling of parcel post matter will be made the subject of hearings before the Interstate Commerce Commission at Washington beginning on February 19th, it has been announced. The decision to hold hearings on the Postmaster General's application for the consent of the commission to make the proposed changes was reached by the commission at a conference at which it reversed its originally announced intention of considering the plan on the basis of written objections filed against it.

The application of the Postmaster General, which includes both increases and reductions in the rates but is designed to increase the revenues received from the parcel post service was filed with the commission on November 29th. On December 8th the commission instituted an investigation to determine whether its consent should be given to the proposed changes in rates and regulations and announced that "objections to said proposals may be filed with the commission in writing on or before January 15, 1931, upon which date the matter will stand submitted for decision." Since then the commission has received numerous protests from commercial organizations against the increases in rates proposed and one from the Railway Express agency against the reduction proposed in the rates for the longer hauls and proposed increase in the size and weight limits of packages mailable. The express company said that the increases were mainly in the rates for the shorter hauls which, it contended, were already lower than the express rates, and that the reductions proposed were calculated to take traffic away from the express. Many of the commercial organizations, in addition to protesting against the increases, asked the commission not to consent to the proposals without hearing at which the Postmaster General should be required to submit the basic data on which he relied for support of the changes.

Application for the consent of the commission was made under the direction of the Parcel Post Act, passed in 1912, which "authorizes" the Postmaster General, if he shall find on experience that the rates, regulations, etc., relating to parcel post "are such as to prevent the shipment of articles desirable, or to permanently render the costs of the service greater than the receipts of the revenue therefrom," to "reform from time to time" such classifications, wage limits, rates, zone or zones or conditions, or either, "subject to the consent of the Interstate Commerce Commission after investigation." By a later amendment to the law the Postmaster General is "directed" to make such "reform," in order to "promote the service" to the public or to insure the receipt of revenue from such service adequate to pay the costs thereof."

In addition to the rate changes proposed, the application of the Postmaster General provided for an increase in the limit and size of all articles and parcels from 84 to 100 inches in length and girth combined for all zones and the establishment of a maximum weight limit for single parcels at 70 pounds, whereas the present limit is 50 pounds in some zones.

CALENDAR YEAR WITHDRAWALS FOR CONSUMPTION

	1929	*1930*
Cigars:		
Class A—U. S. ...	3,582,593,110	3,573,814,975
P. R. ...	121,105,680	136,101,755
P. I.	155,652,690	151,188,120
Total ...	3,859,351,480	3,861,104,850
Class B—U. S. ...	575,035,594	388,607,499
P. R. ...	4,406,900	4,203,580
P. I.	2,562,640	1,808,807
Total ...	582,005,134	394,619,886
Class C—U. S. ...	2,221,820,408	1,784,451,760
P. R. ...	12,960,282	13,659,884
P. I.	908,246	1,149,730
Total ...	2,235,688,936	1,799,261,374
Class D—U. S. ...	145,152,535	121,009,644
P. R. ...	48,200	30,100
P. I.	8,345	9,688
Total ...	145,209,080	121,049,432
Class E—U. S. ...	27,081,705	21,248,556
P. R. ...	50,900	2,600
P. I.	25,628	86,386
Total ...	27,158,233	21,337,542
Total All Classes:		
U. S. ...	6,551,683,352	5,889,132,434
P. R. ...	138,571,962	153,997,919
P. I.	159,157,549	154,242,731
Grand Total ..	6,849,412,863	6,197,373,084
Little Cigars:		
U. S. ...	420,166,933	382,540,252
P. R. ...	8,247,200	6,050,000
P. I.	.....	.....
Total ...	428,414,133	388,590,252
Cigarettes:		
U. S. ...	119,038,841,560	119,624,909,917
P. R. ...	1,706,780	15,599,640
P. I.	4,384,673	2,803,053
Total ...	119,044,933,013	119,643,312,610
Large Cigarettes:		
U. S. ...	10,263,604	7,502,955
P. R. ...	3,613,583	2,810,400
P. I.	.....	5,100
Total ...	13,877,187	10,318,455
Snuff (Lbs.):		
All U. S..	40,036,914	40,112,663
Tobacco:		
Manufactured (Lbs.):		
U. S. ...	337,718,425	328,765,103
P. I.	1,720	2,134
Total ...	337,720,145	328,767,237

DO THE BLIND ENJOY SMOKING?

A SUGGESTION that no blind man really enjoyed smoking, prompted the School for the Blind, Swiss Cottage, to ask the blind workers in the basket and boot-repairing shops their views. The 120 men and boys declared they enjoyed smoking "anything they could get hold of."

An official of St. Dunstan's explained, states the *Evening News*, London, that the belief that blind men could not enjoy smoking was quite untrue.

"Tobacco is one of the blind man's joys," he said, "and the greater number of them are inveterate smokers. We serve out a weekly supply of tobacco at St. Dunstan's. Cigarettes are most popular, but many of them love a cigar, and pipes are well favoured, too.

"If a normal smoker goes into a dark room for a few minutes, or even dozes in a chair with eyes closed and keeps on smoking it is extremely difficult for him to be sure whether he is smoking or not. There seems to be no flavour in the tobacco, and the great enjoyment is lost of watching the blue spirals of smoke go curling upward.

"Blind men certainly develop some senses—hearing and scent, for example—more keenly than others, and it seems probable that this applies also to the appreciation of tobacco which ordinarily cannot be enjoyed in darkness. Whatever is the reason, there is no doubt that no one enjoys a smoke more than a blind man."

Sir Beechcroft Towse, the blind V. C., who is president of the National Institute for the Blind, smokes his pipe nearly all day long and only leaves it for a cigarette.

Captain Ian Fraser, the former blind M. P., was soon able to find his own way to the smoking-room of the House of Commons without the guidance of friends, and was often to be found there. Lord Sanderson, once principal of Ruskin College, Oxford, who has been blind from birth, is another sightless smoker who thoroughly enjoys his after-dinner cigar.

DROUGHT AFFECTS P. R. CROP

A sustained drought in the growing areas of Porto Rico is giving tobacco growers much concern, according to a report from Assistant Trade Commissioner Darwin DeGolia to the tobacco division, Department of Commerce. Unless an appreciable amount of rainfall occurs during the next two weeks the crop will be definitely less in volume but of much better quality, the trade reports. A dry season contributes toward a fine, light leaf, but a lower volume by weight; more rain would produce a greater volume.

With the main bulk of the crop already under way, some planting of late tobacco and some harvesting of early tobacco is going on. Experienced observers state that the plants appear somewhat undersized, owing to drought.

CIGAR DEALER ROUTS BANDITS

When two men, one of them armed with a pistol, tried to hold up his cigar store at 2218 N. Twenty-sixth Street last week, Joseph Staub, fifty, lost his temper. He tore half an overcoat off the unarmed bandit and threw a bottle at the head of the other. Missing its mark, the bottle shattered a window. Neither robber got near the cash register, but both fled and disappeared around the corner.

DECEMBER CIGAR PRODUCTION DECLINES

THE following comparative data of taxpaid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of December, 1930, and are issued by the Bureau. (Figures for December, 1930, are subject to revision until published in the annual report):

Products	*December 1929*	*December 1930*
Cigars (large):		
Class A .....No.	224,634,165	214,648,420
Class B .....No.	30,550,363	20,267,027
Class C .....No.	144,351,044	105,763,192
Class D .....No.	9,352,362	7,132.850
Class E .....No.	1,974,973	1,823,761
Total	410,862,907	349,635,250
Cigars (small) .....No.	23,417,000	20,042,427
Cigarettes (large) ...No.	602,210	612,435
Cigarettes (small) ...No.	8,261,356,533	8,674,718,993
Snuff, manufactured..lbs.	3,060,099	3,045,969
Tobacco, manf'd .....lbs.	21,622,304	22,769,179

NOTE: The above statement does not include taxpaid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of December:

Cigars (large):		
Class A .....No.	6,520,400	12,481,200
Class B .....No.	232,250	76,000
Class C .....No.	1,040,882	625,500
Class D .....No.	.....	2,500
Class E .....No.	1,400	.....
Total	7,794,932	13,185,200
Cigars (small) .....No.	.....	50,000
Cigarettes (large) ...No.	.....	100,000
Cigarettes (small) ...No.	60,000	1,000,000

Tax-paid products from the Philippine Islands for the month of December:

Cigars (large):		
Class A .....No.	10,162,245	11,499,535
Class B .....No.	258,803	108,417
Class C .....No.	23,924	87,018
Class D .....No.	1,130	.....
Class E .....No.	5	10,020
Total	10,446,107	11,704,990
Cigarettes (large) ...No.	.....	5,100
Cigarettes (small) ...No.	37,620	52,800
Tobacco, manf'd .....lbs.	126	142

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the December Statement of Internal Revenue Collections

Objects of taxation	*First six months Fiscal year 1930*	*1931*
Tobacco manufactures:		
Cigars	$12.201,010.25	$10,161,719.06
Cigarettes	181,571,356.69	180,636,947.65
Snuff	3,577,546.41	3,481,601.53
Tobacco, chewing and smoking	29,940,235.94	28,800,399.19

REYNOLDS FINANCIAL POSITION

(Continued from page 12)

stock owned by the company was originally purchased somewhere under $50 a share. It sold in 1930 as high as 58⅝, while the low price for the year was 40, so the profit realized on the sale of the block of stock was not unusually large. Application of this profit to a reduction of the cost of the shares still held, means, undoubtedly, that their original cost exceeded $10,000,000, which would indicate that Reynolds still holds approximately half of the shares originally acquired.

Working Capital Rises

R. J. Reynolds Company did not include this common stock in its current assets, despite its ready marketability. Therefore, the conversion of a block of this stock into cash in 1930 brought about an increase in current assets, which rose to the highest point in company's history. Current assets on December 31, 1930, totaled $136,638,736, which included cash of $33,458,341, inventories of $91,464,477, accounts receivable of $11,715,918 and investments, consisting almost entirely of the company's common B stock of $9,455,147. Current liabilities amounted to $10,800,820, consisting of $3,885,123 of accounts payable and $6,915,697 of accrued taxes and other accrued accounts. Working capital, at $125,837,916, also established a new high mark.

The following table compares current assets, current liabilities, working capital and ratio of current assets to current liabilities for the past ten years:

Year	Current Assets	Current Liabilities	Working Capital	Ratio of c. a. to c. l.
1930..	$136,638,736	$10,800,820	$125,837,916	12.6
1929..	120,532,496	9,776,970	110,755,526	12.3
1928..	135,776,053	9,539,823	126,236,230	14.2
1927..	136,362,977	11,835,689	124,467,288	11.5
1926..	128,525,723	12,610,129	115,915,594	10.1
1925..	117,739,176	11,739,742	105,999,434	10.0
1924..	120,770,038	8,604,522	112,165,516	14.0
1923..	109,303,037	7,623,110	101,679,926	14.3
1922..	94,686,727	6,525,099	88,161,628	14.5
1921..	87,239,346	12,365,278	74,874,068	7.5

As of December 31, 1929, capital and surplus amounted to $151,579,859 so that earnings in 1930 of $34,256,665 represented a return of 22 cents on each dollar of capital and surplus invested in the company. This was the same rate of return as was obtained on capital and surplus in 1929 and compared with a similar return in 1928 of 21 cents.

AMERICAN CIGARETTE TOBACCO GAINS IN EUROPE

Europeans are demanding more American cigarette tobacco and calling for less of the chewing and pipe variety.

J. B. Hutson, tobacco specialist in Europe for the Foreign Agricultural Service, reports to the department that demand for flue-cured tobacco, from which cigarettes are made, has increased, while trade in fire-cured tobacco, for pipes and chewing, has fallen off.

The increased demand for cigarette tobacco was particularly noticeable in the United Kingdom. Consumption of American tobacco products increased in the Netherlands, Germany, Czecho-Slovakia and Austria.

Hutson estimated 70 per cent. of all tobacco consumed in the United Kingdom last year consisted of American-grown flue cured.

WOMEN CIGARMAKERS AGE RAPIDLY

EMPLOYMENT as a cigarmaker is "practically out of the question" for a woman over forty years old and a woman thirty years old has come to be classified in the cigar industry as "old," according to testimony given before the House Appropriations Committee by Mary Anderson, director of the Woman's Bureau of the Department of Labor.

Miss Anderson told members of the committee of a survey the bureau had conducted of women in the cigar-making industry. The survey particularly undertook to find out what happened to women who were let out by the cigar-making plants on the introduction of machinery.

"The study of the cigar industry revealed that in the change from hand-making processes to the automatic cigar-making machine the same production rate can be maintained with only half the working force required formerly, and thousands of women were thrown out of employment," Miss Anderson said.

"Many of the women laid off had been unable to secure other jobs in the cigar industry and had been forced to take any kind of work available, often at a considerable wage reduction. Others had failed to find employment of any kind. Both in loss of employment and in loss of wage the older women had suffered more than had the younger ones. For the purpose of this industry women who had reached the thirtieth birthday had come to be classified as old, and for the woman of over forty cigar-making was practically out of the question.

"The following facts deduced from this study give a slight picture of the hardships of the older woman worker:

"The wages of women of over forty, after a change of employment, dropped to a lower scale than did the wages of the younger women.

"Women of over forty had more difficulty in finding a new place in industry after a lay-off than had younger women.

"Women of over forty lost more time from unemployment between jobs than did women of under forty.

"Almost 40 per cent. of those never finding a new job after a lay-off were over forty.

"Women of over forty found office and telephone work closed to them and were less successful in finding jobs in stores, laundries and other branches of manufacturing than the cigar industry, and to a greater extent were forced into domestic service.

"Women of over forty were less likely to find steady employment than were women of under forty. Unsolicited comments by these women showed that they considered age an important factor in finding employment."

Miss Anderson said that the use of machines in cigar-making was universal throughout the country, with the exception of York County, Pa., and Tampa, Fla.

ANOTHER CIGARETTE PRICE WAR LOOMS

Signs of a fresh cigarette price-cutting fight, from which the industry has been comparatively free for several months, appeared last week when an announcement was made that the Schulte Retail Stores Corporation had reduced the price of several popular brands to 11 cents a package to meet a special offer made by another organization.

The United Cigar Stores Company have announced no change in their prices.

REYNOLDS ADDS SIXTEEN STATIONS TO RADIO HOOK-UP

THE R. J. Reynolds Tobacco Company is adding sixteen powerful broadcasting stations to the already extensive network of the "Camel" Pleasure Hour to complete a transcontinental hook-up beginning with the program of January 28th. The addition of this new chain of stations will mean that the "Camel" Pleasure Hour, one of the outstanding programs on the air, will be heard in every section of the country.

The new stations which will hear the "Camel" Pleasure Hour every Wednesday night from 11:15 to 12:15 E. S. T. are as follows: WTMJ, Milwaukee; KSTP, St. Paul; WEBC, Duluth-Superior; WHAS, Louisville; WSM, Nashville; WMC, Memphis; WSB, Atlanta; WAPI, Birmingham; WJDX, Jackson; KTHS, Hot Springs; WBAP, Fort Worth; WKY, Oklahoma City; KOA, Denver; KGO, San Francisco; KECA, Los Angeles; KGW, Portland; KOMO, Seattle; KHQ, Spokane; KFSD, San Diego; KTAR, Phœnix.

With the addition of the above extensive chain, the "Camel" Pleasure Hour will have a total hook-up of 36 stations.

This will mean that every Wednesday night there will be two separate broadcasts of the "Camel" program. The first from 9:30 to 10:30 E. S. T. will continue as before from WJZ and the following associated stations: WBZA, Boston; WBZ, Springzeld; WHAM, Rochester; KDKA, Pittsburgh; WJR, Detroit; WLW, Cincinnati; KYW, Chicago; KWK, St. Louis; WREN, Kansas City; WSJS, Winston-Salem; WRVA, Richmond; WJAX, Jacksonville; WIOD, Miami; WFLA, Tampa; WGAR, Cleveland.

An inaugural program of exceptional brilliance will be broadcast to welcome the additional stations to the "Camel" Pleasure Hour network.

Tandy Mackenzie, noted Hawaiian-American tenor, will be guest artist that evening.

A condensed version of "Blossom Time," the melodious operetta based on the immortal songs of Franz Schubert, will feature the inaugural broadcast. As guest soloist, Mr. Mackenzie will sing several of the famous arias from this delightful production.

Musical critics and opera audiences in the musical centers of Europe have already acclaimed Mackenzie's dramatic performances and splendid voice.

Mackenzie has had a colorful and interesting career. Born on the island of Maui, he shared with all Hawaiians his love of music and of the sea. He vividly recalls days when he and his young companions went out with the Hawaiian fishing fleets. Frequently it was necessary for him to dive deep in the clear water to unhook nets caught on the coral. Often he encountered sharks far below the surface and when the sea wolves came too close, he simply "pushed them out of the way." Not until years later, when he started reading about these sea terrors, did Mackenzie realize, with a shudder, the hairbreadth escapes he had had.

"It was the best proof in the world of the valor of ignorance," he says.

Coming to the United States with the idea of studying medicine, Mackenzie quite accidentally discovered he had a fine voice and thereafter concentrated on its development. After extensive preparation, including final studies in Italy, Arturo Toscanini, world famous conductor, gave him valuable advice and soon the young Hawaiian was making a triumphal tour of the operatic centers of Europe.

Reinald Werrenrath and Mary McCoy will be assisting stars when Mackenzie broadcasts on the "Camel" Pleasure Hour.

In addition the "Camel" Pleasure Hour orchestra, under the direction of its picturesque leader, Charlie Previn, the "Camel" Glee Club and the other fixed stars of this program will join in the festivities of welcoming the new stations.

MAP OF TOBACCO DISTRICTS OF GREECE AVAILABLE

The League of Offices for the Protection of Greek Tobacco has recently had printed and ready for distribution a large map of Greece, showing the tobacco producing districts of that country, in colors, which is of particular interest to importers and users of Greek tobacco.

This map is printed in six pieces, with sufficient margins so that it may be joined together, and is being sold at $3.35 postpaid. The map may be procured by writing to the League of Offices for the Protection of Greek Tobacco, at Salonique.

GARVETT IN DETROIT

Joe Garvett, manager of the Philadelphia distributing branch of the Mazer-Cressman Cigar Company, left last week for Detroit, after inaugurating a successful sales drive in this territory on "Manuel" and "Tennyson."

Mr. Garvett will visit the Columbus, Ohio, branch on his return trip.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

BUSINESS OPPORTUNITIES.

CONFECTIONERY AND CIGAR BUSINESS FOR SALE—Montgomery County, Pennsylvania. Rent $250. Yearly business $45,263.54. Net profit 13 per cent. Full information upon request. Address Box 551, care of "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

RE-REGISTRATION

SAM HOUSTON:—45,839. For cigars. Registered January 14, 1931, by Webster Eisenlohr, Inc., New York, N. Y. (Originally registered by Sutro & Newmark, New York, N. Y.. predecessors to the registrants.)

TRANSFERS

GREEN SEAL:—40,496 (T. M. A.). For cigars. Registered December 27, 1917, by Wadsworth Campbell Box Co., Detroit, Mich. Transferred to Thomas M. Thurlby, and re-transferred to American Box Supply Co., Detroit, Mich., January 12, 1931.

SOLAZAR:—45,041 (T. M. A.). For cigars. Registered August 15, 1927, by Thomas L. Lane, New York, N. Y. Transferred to Eladio Teijeiro, New York, N. Y., May 17, 1930.

711:—10,679 (Tobacco Leaf). For cigars. Registered August 14, 1895, by P. Margolis, Philadelphia Pa. Transferred to Louis Alexander, Perth Amboy, N. J., January 12, 1931.

CAROLINA QUEEN:—45,512 (T. M. A.). For all forms of smoking tobacco. Registered June 22, 1929, by Blue Ridge Tobacco Co., Inc. Transferred to B. H. Wade, Jonesville, S. C., January 16, 1931.

BIG HAVANA:—23,426 (Tobacco Leaf). For granulated smoking tobacco. Registered June 2, 1902, by Morse & Wade, East Bend, N. C. Transferred by Otis Wade, owner, to B. H. Wade, Jonesville, S. C. January 16, 1931.

MISANTA:—41,203 (T. M. A.). For cigars, cigarettes, cheroots and tobacco. Registered May 14, 1919, by Garrett H. Smith, New York, N. Y. Through mesne transfers acquired by Joseph L. Halpern, trading as Halpern Leaf Tobacco Co., Philadelphia, Pa., and re-transferred for five years, the term of the partnership agreement to the Locust Cigar Co., Philadelphia, Pa., November 14, 1930.

LOCUST:—17,299 (U. S. Tobacco Journal). For cigars. Registered April 29, 1895, by J. Frysinger, Jr., Hanover, Pa. Through mesne transfers acquired by Joseph L. Halpern, trading as Halpern Leaf Tobacco Co., Philadelphia, Pa., and re-transferred for five years, the term of the partnership agreement, to the Locust Cigar Co., Philadelphia, Pa., November 3, 1930.

TAMPA MONARCH:—35,079 (Tobacco World). For cigars. Registered June 27, 1908, by Pride Cigar Co., Tampa, Fla., and **41,756** (T. M. A.), for cigars. Registered May 28, 1920, by J. M. Sweat, proprietor of Monarch Cigar Co., Tampa, Fla. Transferred to Tampa Cigar Co., Tampa, Fla., and re-transferred to Pamies & Sons, Inc., Tampa, Fla., December 31, 1930.

PARMONA:—24,253 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobaccos. Registered April 4, 1912, by Kaufman, Pasbach & Voice, New York, N. Y. Transferred by Consolidated Litho. Corp., Brooklyn, N. Y., successors to J. W. Strieder Co., Boston, Mass., January 19, 1931.

BARKIS:—25,357 (Tobacco World). For cigars, cigarettes, cheroots, chewing and smoking tobacco. Registered January 21, 1913, by Kaufman, Pasbach & Voice, New York, N. Y. Transferred by Consolidated Litho. Corp., Brooklyn, N. Y., successors to J. W. Strieder Co., Boston, Mass., January 19, 1931.

BOURSE:—16,865. For cigars. Registered January 3, 1895, by L. Blase, Philadelphia, Pa. Transferred to Ma-Vic Co., Philadelphia, Pa., January 17, 1931.

SCOTTEN-DILLON COMPANY EARNINGS.

Scotten-Dillon company reports for the year ended December 31st net profit of $554,138, after charges and Federal taxes, equal to $1.85 a share (par $10) on 300,000 shares of common stock, against $602,910, or $2.01 a share in 1929.

GENERAL CIGAR COMPANY

General Cigar Company reports for 1930 net profit equal to $6.03 a share on the common stock against $8.06 a share in the previous year.

PRESIDENT CARRINGTON REPORTS ON EMPLOYMENT

NO UNEMPLOYMENT exists in the tobacco industry according to a statement received by Colonel Arthur Woods, chairman of the President's Emergency Committee for Employment, from T. M. Carrington, president of the Tobacco Association of the United States. Although some seasonal lay-offs will take place during the spring, this is a regular feature of the business which is present in normal years, it is declared, and tobacco manufacturers are willing to co-operate in meeting the situation this year.

"The tobacco trade as a rule is working on full time," Mr. Carrington states, "that is, manufacturers are busy and work twelve months in the year. In the leaf trade, employment continues very steadily during the period in which tobacco is sold. In the bright districts of Georgia, South Carolina, North Carolina, and Virginia, sales begin in July and extend through March of the next year.

"During this time, full employment is given the labor that usually finds a job in this type of business and there is no lack of employment in the class of laborers who work in tobacco, particularly in the manufacturing end. In March, the people who handle the leaf end of the trade will be through their work and we will have no employment for these people whom we have been employing since July. This is the same case every year. The men usually find employment in other lines during the layoff.

"There is no emergency regarding unemployment in the tobacco trade as far as I can ascertain and conditions this year are just about what they are every year, and the output of manufactured tobacco being about on the same level as heretofore and the leaf trade employing men for the same period as in former years. I have discussed the situation with various members of the Tobacco Association and they all promise cooperation with the President's Emergency Committee as far as is possible to give it."

AMERICAN CIGARETTES COST MORE IN SPAIN

American cigarettes in Spain now cost about three times as much as in this country, due to the recent raise in the Spanish tariff rates and the continued depression of the peseta. Formerly the price was about twice that in this country. The new tariff, however, does not list tobacco, but the government tobacco monopoly has a little private tariff of its own, which it has revised upward.

All foreign and many native products, articles and foodstuffs, have also gone up in price. This is attributed to the adverse peseta exchange, and to the new tariffs of the United States and Spain, acting directly or indirectly. Americans get more pesetas for their dollars, but pay still more pesetas than before for all they buy.

RECEIVER FOR SCHULTE-UNITED IN CANADA

Last week it was announced that on petition of a creditor, Schulte-United, Incorporated, of Canada, had accepted bankruptcy proceedings, and Douglas L. Ross, accountant will administer the fourteen stores of the corporation in Canada pending reorganization. The Schulte-United chain of junior department stores in the United States went into receivership the previous week.

VOLUME 51 No. 4

THE TOBACCO WORLD

RECEIVED FEB 18 1931

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

LA PALINA

JAVA WRAPPED

THE SECRET OF THE BLEND

made good

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

CONGRESS CIGAR CO., Inc., PHILADELPHIA, PA.

MURIEL CIGAR

2 for 25¢ Size

NOW 10¢

Made by Machine... 100% Clean

MADE BY P. LORILLARD CO.

After all nothing satisfies like a good cigar

"Well Packed—Half Sold"

Applies to Cigars more than any other form of merchandise.

The size, shape and color of cigars are features that play an important part in their sale.

There is no better way to attract smokers who are particular about these points than to keep your cigars fully in view, for approval and comparison.

Let the customer see the sales points of your brands (size, shape and color) at a glance—by packing your cigars in Wooden Boxes.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 4

Established 1881
TOBACCO WORLD CORPORATION
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CAPPER-KELLY BILL PASSES HOUSE

THE House of Representatives unexpectedly passed the Capper-Kelly fair trade bill late on January 29th, after so loading it with amendments, it was charged, as to make it inoperative for practical purposes. The measure was originally designed to stop price cutting by chain stores.

The ultimate effect of the proceedings was that the bill, already covered with the dust of twenty years' incarceration in committee rooms, finally goes to the Senate with every possible obstacle thrown in the way of its adoption before the end of the session, when it will die automatically.

The bill was first introduced in 1911, and was referred to the House Interstate Commerce Committee. There it stayed until the present Rules Committee finally ordered it to the floor for its day.

The House was reported in high spirits as it turned to consider formally one of its most venerable pieces of legislation. The chamber was kept in an uproar as one amendment after another was offered, each striving to outdo the other for amusement. The climax was reached when Representative Charles O'Connor, Republican, of Oklahoma, offered the following resolution:

"Provided, nothing herein shall apply to apples which are sold in periods of depression if the same are wormy."

The amendment was defeated but Representative John J. McSwain, Democrat, of South Carolina, virtually struck the death blow when he introduced and had adopted an amendment removing the provisions of the bill from "such necessities of life as meat, meat products, flour, flour products, agricultural implements, tools of trade, canned fruits and vegetables, all clothing, shoes and hats."

Representative Kelly, author of the bill, and Representative Carl E. Mapes, Republican, of Michigan, protested in vain that adoption of the McSwain amendment was equivalent to striking out the whole enacting clause. The amendment clearly was adopted on the vive voce vote, but tellers were ordered and the final count showed its passage by 140 to 94.

The bill as reported to the House authorized manufacturers to make contracts with retail dealers fixing a specific price at which the commodity could be sold at retail. Thereafter retail dealers would be forbidden to sell such articles below the established price. As the bill finally went to the Senate the more important commodities which enter into retail trade were eliminated from its provisions.

Another amendment which was adopted provided that the manufacturer who sold any trademarked or branded commodity to a dealer under a fixed-price con-

(*Continued on Page 14*)

A. T. CO. REPORTED IN MATCH COMPANY

RUMORS are going the rounds in Wall Street circles that a large tobacco company has become so impressed with the intimate relation between a smoke and a light that it has purchased an interest in a match manufacturing enterprise.

One of these unconfirmable Wall Street rumors has it that the American Tobacco Company has substantial interest in the Diamond Match Company. It is understood that it participated in the purchase of the block of 850,000 shares of stock offered at $37 a share in connection with Diamond's recent recapitalization.

JOHN A. CAMPBELL, AUTOKRAFT OFFICER, HEADS CADILLAC ATHLETIC CLUB

John A. Campbell, vice-president of the Autokraft Box Corporation, officer of the American Box Supply Company, a member of the board of directors of the United States Trust Company, and president of the Campbell Financial Corporation, of Windsor, Canada, was recently elected president of the Cadillac Athletic Club of Detroit, Mich.

In celebration of the event the *Detroit Times* issued a special edition named "Cadillac A. C. extra."

His inauguration to office was celebrated on February 2, 1931, with a banquet at the club which was attended by about five hundred members and their families. Dancing and entertainment following the banquet. The inaugural ceremonies began at 11 P. M. Prominent Detroit members participated in the ceremonies.

Mr. Campbell's brother, W. R. Campbell, is president of the Ford Company of Canada, Limited, while another brother, M. J., is president of the Kelsey Wheel, Limited, of Canada.

SUBSTANTIAL INCREASE IN LORILLARD NET

P. Lorillard Company, manufacturers of "Rocky Ford" and "Muriel" cigars, "Old Gold" cigarettes, etc., reports net income of $3,614,363, equivalent to $1.47 a share on the common stock for the year 1930, as compared with $1,336,656, or 28 cents a share in 1929.

This is the largest amount of earnings shown by the company since 1926, and would seem to indicate that the company is sharing in the large volume of cigarette sales on a profitable basis.

CONSOLIDATED CIGAR CORPORATION

The Consolidated Cigar Corporation reports net profit for 1930 of $2,352,535, equivalent to $5.86 a common share, as compared with $3,314,090, or $9.46 a common share, in 1929.

PHILADELPHIA.

BAYUK BRANDS IMPROVING

AT THE Bayuk offices there is an optimistic feeling in the air as encouraging reports are filtering in from different parts of the country as to the popularity of Bayuk products.

A. Joseph Newman, vice-president and sales manager is on a trip which will take in points on the Pacific Coast and will cover a period of about two weeks. Bayuk brands are a particularly big factor in that territory where they continue to show a gratifying demand.

A group of students from the University of Pennsylvania made a trip through the modern Bayuk factory at Ninth and Columbia Avenue, last week and were surprised and well pleased with what they learned about modern production of clean cigars. There were about fifteen students in the group, including Barney Berlinger and J. M. Peterson, two famous athletes of the U. of P.

A group of members of the Philadelphia Chapter, Society of Industrial Engineers, also made a trip through the factory last week, which proved highly interesting to them.

Robert Rink, associated with the selling organization of Bayuk's, of Indianapolis, Ind., has returned to his duties after an absence of ten days due to a severe cold.

In the Florida district, W. E. Harris, territorial manager, is doing some splendid work through the distributors in that section, enhancing the demand for Bayuk "Ripe Tobacco" products.

H. T. Soister, of Holidaysburg, Pa., is putting in some mighty good time developing sales throughout the Altoona and western Pennsylvania district, where Bayuk brands are also a big factor and enjoying a phenomenal sale.

A. & H. DISTRIBUTING NEW LIGHTER

The A. & H. Trading Corporation, Tom Allely and Harry Hargesheimer, is always on the lookout for something new, and at the present time are concentrating on the distribution of the new Majestic Automatic Electric Lighter with splendid success. This lighter is composed of a small block made to represent highly polished marble, and when it is picked up it automatically lights itself. This article is going over big.

"LA PALINA" BLUNTS GOING GOOD

AT headquarters of the Congress Cigar Company, Third and Spruce Streets, Willis A. Andruss, general sales manager of the company, states that the new blunt size of the "La Palina" in the cubical container, and launched about a month ago, has now secured national distribution and has every appearance of being a success as repeat orders have been received from many points throughout the country.

Jacob Paley, who is sojourning in Havana, is expected to return next week.

Samuel Paley was a visitor in New York City for a couple of days last week.

BAYUK CIGARS EARNINGS

Bayuk Cigars, Inc., reports for the year ended December 31, 1930, net income of $580,581 after all charges and provision for Federal income taxes and equal after preferred dividends to $3.04 a share on 98,851 shares of common stock outstanding at the end of the year. In the previous year the company earned $10.30 per share on the common stock.

Gross earnings for 1930 totaled $2,731,116 against $3,789,143 in the previous year.

RAZOR BLADE SUIT STARTED

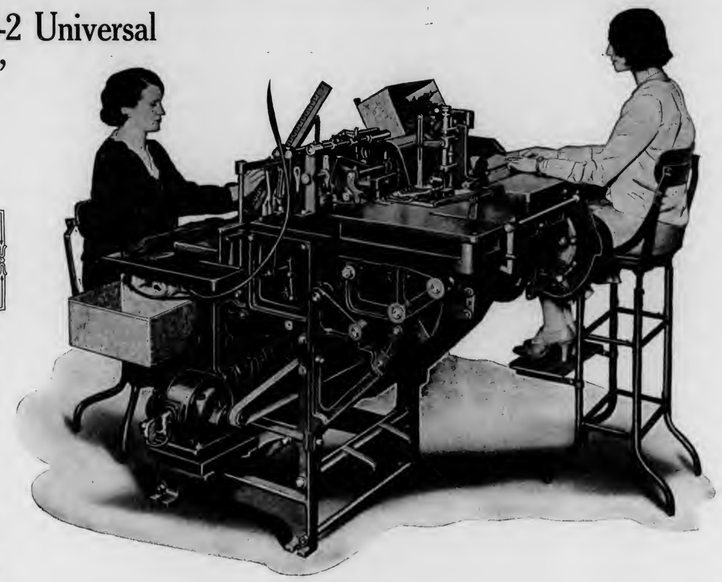
The American Safety Razor Corporation, of Brooklyn, has filed suit in the District Court for the Eastern District of Pennsylvania, here, against Frings Brothers, cigar and tobacco jobbers, asking that that company be enjoined from selling blades which constitute an infringement upon the American Safety Razor Corporation's new Gem Micromatic Blades, U. S. Patent Nos. 1,739,280-1,773,614, and asking for an accounitng of all profits and/or damages.

BROGAN AND JONES VISIT NEW YORK

Paul Brogan and George F. Jones, vice-president and president, respectively, of Yahn & McDonnell, cigar distributors, were visitors in New York City last week conferring with E. A. Kline regarding 1931 plans for the promotion of the "Medalist" brand in Philadelphia.

This brand has been showing a pleasing improvement in Philadelphia recently.

The New Model S-2 Universal "Cross Feed Type" Long-Filler Bunch Machine



Large and small size filler can be readily worked together, and two or more different kinds of filler may be blended as the tobacco is being fed into the cross feed of the Machine.

WE list here a few of the important and highly efficient features of the Model S-2 Universal "Cross Feed Type" Long Filler Bunch Machine:

A—The filler is fed into the trough of the Cross Feed in a continuous stream and automatically cut to the proper length, insuring well filled out bunches throughout their entire length.

B—Automatic in its operation, it feeds, and cuts the filler to length, sizes the bunch and rolls the filler in the binder. The only hand operations are the laying of the binder on the rolling table and placing the filler in the feed trough.

C—The Suction Binder Equipment assures an increased yield of binders also smoother and more perfectly rolled bunches.

D—Produces well-conditioned, spongy, free-smoking bunches—the equal of hand work in every respect.

E—Good-conditioned bunches are assured by "laying up" the filler mechanically in exactly the same way as is done by hand; a few sprigs of filler being intermittently added until the bunch is built up to the proper size and condition.

F—Easily and quickly adjusted for any size or length of bunch or for right or left hand bunches.

G—Any shape or size bunch can be made on the same machine with slight mechanical changes.

H—Can be used on mold work or in conjunction with the Universal Model "R" and other Automatic Cigar Rolling Machines.

I—Quickly and accurately adjusted to different conditions of filler.

J—Assures uniformity of bunches at all times in both size and weight.

K—Sturdy and simple in construction—easy to operate and handle. Requires no expert mechanical attention.

THIS, our latest Long Filler Bunch Machine, the Model S-2 "Cross Feed Type", has been subjected to the severest practical factory tests in the making of high grade cigars in large and small Clear Havana factories, as well as factories where Domestic and Blended Filler are used, with the result that its performance has come up to the highest expectations, both as to quantity and quality of product.

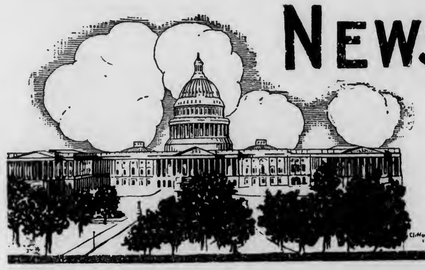
The "Cross Feed" method of feeding eliminates faulty bunches, from the standpoint of weak heads, tucks or soft spots in the body of the bunch. It also eliminates the cutting up of fillers—no shorts are produced by the machine, that would ordinarily have to be worked up in the bunch. The filler is fed into the trough of the "Cross Feed" in a continuous stream, and automatically cut to the proper length. The filler is fed into the "Cross Feed" trough in a way that makes necessary the lapping of the leaves and thus the building up of the bunch in exactly the same manner as the hand worker does. Cigar manufacturers will readily realize the importance of this, where small size filler is used (second and third size Havana). This also holds true on all Havana and domestic fillers.

The price of the Model S-2 "Cross Feed Type" Universal Long Filler Bunch Machine, equipped with Two Posture Chairs, Individual Drive, ¼ H. P. Motor and complete Suction Equipment, is $2,325.00. F. O. B. our factory, Newark, N. J.

Rebuilding Model T "Blending Type" Universal Long Filler Bunch Machines into Model S-2 "Cross Feed Type" will cost $1,000. Doing the same with Model S "Standard Type" Universal Long Filler Bunch Machines will cost $750 F. O. B. our factory, Newark, N. J.

Convenient Time Payment Terms in United States and Canada.

UNIVERSAL TOBACCO MACHINE COMPANY, 40 East 34th Street, New York



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

AMERICAN growers of wrapper tobacco on February 12 appeared before the Customs Bureau of the Treasury Department with a demand for an embargo on Sumatra wrapper, under Paragraph 307 of the Tariff Act of 1930.

An effort was made by the domestic producers to show that the type of indentured or forced labor used in Sumatra virtually was equivalent to convict labor. Therefore, they maintained, the Sumatra tobacco should be barred immediately under the convict-labor clause, instead of being considered under the indentured or forced labor provision, which does not go into effect until January 1, 1932. Those appearing at the hearing represented growers in the Connecticut Valley, Georgia and Florida.

George F. Lamb, of New York, representing the Associated Cigar Manufacturers and Leaf Tobacco Dealers, said that his organization opposed the embargo and asked for an opportunity to be heard. Customs Commissioner F. X. A. Eble fixed February 24 as the date for the second hearing.

American producers declared that there was sufficient idle acreage in this country to more than supply the demand for cigar wrapper tobacco. The American product was held as better quality than that from Sumatra, and the price lower. An embargo on Sumatra tobacco would shortly give employment to hundreds of thousands of workmen in this country, according to the growers.

The whole question of the action to be taken with respect to Sumatra tobacco hinges upon whether the bureau will rule that indentured labor is employed as a result of a penal offense on the part of the worker and, therefore, is equivalent to convict labor as intended by Congress.

Domestic interests in many lines are determined to bar the importation of products in which indentured labor is used, it developed at the hearing, and proposals have already been made to enact legislation amending the 1930 Tariff Act so as to bar the products of indentured or forced labor from the United States beginning April 1, next. A conference on this subject was held a few days ago with Assistant Secretary of the Treasury Seymour Lowman when a committee headed by Representative Hawley of Oregon, chairman of the House Ways and Means Committee, appeared.

Representatives of the American Federation of Labor joined with the growers and Congressmen from the tobacco districts in urging the exclusion of Sumatra tobacco.

No Senate Action on Capper-Kelly Bill This Session

Action by the Senate on the Capper-Kelly resale price maintenance bill, approved by the House January 29th was doomed by the Senate Interstate Commerce Committee February 3d when it was decided not to consider the measure this session.

The committee voted to shelve the measure indefinitely in view of the inability to hold hearings before the adjournment of the present session on March 4th.

Approval by the House of the Capper-Kelly measure, which has been before the interstate commerce committee off and on for nearly twenty years, was conceded as a victory for its proponents, although the bill as passed carries with it but little of the effectiveness proposed by its sponsor, Representative Clyde Kelly of Pennsylvania.

During the consideration of the measure, which was turned into a field day by members of the House, an amendment was agreed to excluding all the necessities of life from coming within its provisions. This amendment introduced by Representative McSwain, Democrat, of South Carolina, declares that retail prices shall not be fixed by the manufacturers on articles of necessity of life including meats, flour, vegetables, clothing, medicines and medical supplies, and tools of trade. The amendment was agreed to by a teller vote of 140 to 94.

Representative Kelly, arguing against the approval of such an amendment, declared that there are no trade-marked articles that are considered as necessities of life. This declaration brought forth shouts of "no" from the members drowning out the voice of the speaker. When order was finally resumed, Mr. Kelly qualified his statement saying that trade-marks cannot be granted on flour as a class or shoes as a class. Trademarks can only be gotten on trade names, he shouted, which still permits competition.

In the opening debate on the bill Representatives Nelson, Republican, of Maine, charged that the measure will act as a "monkey wrench in highly competitive retail distribution. It will only stop fair competition," he said. "If benefits of mass production are to be passed on to the consumer it can only be done by more efficient and cheaper methods of retail distribution. Chain stores are a necessary factor in mass production."

Representative Kelly countered with the statement that in 1914 there were but 2000 retail stores doing less than $1,000,000,000 in business annually. Today, he said, there are over 170,000 such retail outlets doing a business of $15,000,000,000 and by 1940 all of the retail distribution will be in the hands of the chain stores.

Representative Purnell, Republican, of Indiana, in charge of the special rule granted the measure by the rules committee, said that, "the bill seems to furnish some ray of hope for the little industry which is the

(*Continued on Page 17*)

"LET'S GO!"

GOING places . . . doing things . . . and smoking Camels. All three are in the modern tempo.

Camels, gloriously mild and mellow, retain all the delicate fragrance of choicest, sun-ripened tobaccos, through the scientific care with which they're made. There's life and joy in such a smoke . . . never flat nor over-treated.

You're going somewhere when you go with

CAMELS

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

CREDIT MEN ASSIST NATIONAL SURVEY

FOLLOWING the announcement from Washington that the Department of Commerce, in cooperation with the National Association of Credit Men, is shortly to begin a nation-wide survey of wholesale credit methods, practices and policies, Dr. Stephen I. Miller, executive manager of the association, has called upon credit executives throughout the country to supply all information that may be requested of them in the course of the survey.

In a letter to 145 New York credit associations affiliated with the national body, Dr. Miller said that the survey should be of direct benefit to wholesalers, manufacturers and commission houses, since it will furnish them with a vast fund of information, never before available, bearing on credit relations with retailers.

"The survey will throw a revealing light on such problems as the degree of lag in past due accounts, the extent of bad debt losses, the taking of unearned discounts and the attempts of buyers to dictate terms of sale," he said.

"Questionnaires to be used in the survey have been worked out with the greatest care by representatives of the Department of Commerce and the National Association of Credit Men. They are designed to elicit information of practical value.

"Firms contributing information will be classified according to lines of business. When all the information has been tabulated, we will know the average bad debt loss in each principal division of business, the normal lag of past due accounts, and the extent to which terms grabbing and other credit evils exist in various lines of trade.

"Each industry will have its particular credit problems brought out into the open. The individual credit manager will be provided with a yardstick which will enable him to measure the effectiveness of his credit methods against the average for his industry.

"Since intelligent credit management is vital to sound merchandising, it is particularly fortunate that we are to have this basic inventory of our mercantile credit structure at this time. The information gathered should give every credit manager a better approach to his daily problems."

IMPERIAL TOBACCO HEAD DIES

Sir George Vernon Proctor Wills, director of the Imperial Tobacco Company, England, died at his home, Langford Court, Bristol, England, on February 2d. He was forty-three years old.

He was the only son of the late Sir George Alfred Wills, who left a fortune estimated at £10,000,000 (about $50,000,000). Nine members of the Wills family, who have died since 1909, left a total of about £26,000,000 to their heirs.

Sir George was born in 1887. In 1919 he married Miss Nellie Jeannie Rutherford, daughter of the late T. J. Rutherford, of Abergavenny. They had one son and one daughter. Sir George succeeded to the title, created in 1923, upon his father's death in 1928. His heir is Sir George Peter Vernon Wills, nine years old.

Sir George was educated at Sherborne School and served three years in the World War. Later he was granted the honorary rank of captain. He lived at Langford Court, near Bristol, where he was president of the Bristol General Hospital.

PENNSYLVANIA PAYS MOST CIGAR TAXES

REVENUE from the tobacco tax, the last of many forms of income collected by the Government to feel the pinch of the business depression, was $2,902,354 lower in 1930 than in the previous year.

Statistics issued last week by the Internal Revenue Bureau showed tobacco taxes in the calendar year 1930 gave the treasury $446,156,354, as compared with $449,058,963 in the previous twelve months.

The cigar tax totaled $19,403,253, as compared with $22,538,139 for the previous year; cigarette tax, $358,946,966, against $357,205,753; manufactured tobacco and snuff, $66,404,510, against $68,002,411, and cigarette papers, $1,401,643, against $1,312,659.

North Carolina paid the largest tobacco tax of any of the States. It consisted of $231,576,998 on cigarettes as compared with $223,168,258 for the previous year; $49,240 on cigars, against $51,296, and $22,877,093 on manufactured tobacco and snuff, against $22,824,616.

Virginia was second with $82,042,504 on cigarettes, as compared with $68,397,602 the year before; $1,017,157 on cigars against $1,057,051, and $3,842,943 on manufactured tobacco and snuff, against $3,212,414.

Pennsylvania led in the cigar tax with a total of $5,901,952 in 1930, against $7,025,816 the year before. New Jersey was second, paying $2,802,805, against $2,974,648 the year before; Florida was third, paying $2,547,360 in 1930 against $2,942,973 for 1929.

The number of cigarettes on which a tax was paid increased from 119,038,841,560 in 1929 to 119,624,909,817 in 1930.

AMERICAN LITHOGRAPHIC DISCONTINUES NEW YORK PLANT

The New York City plant of the American Lithographic Company is to be discontinued and the entire manufacturing effort of the company consolidated in the Buffalo plant, officials of the company announced last week.

The Buffalo plant will be extended to house the additional activities. The closing of the New York plant and development of the Buffalo plant was decided upon at a conference in Buffalo last week between officials of the company, Mayor Charles A. Roesch, of Buffalo, and officials of the Buffalo Chamber of Commerce.

The American Lithographic Company was acquired by the United States Printing and Lithograph Company, in November, 1929. Other plants of the company are located at Norwood, Ohio; Baltimore, Md.; Newport, Ky.; Chicago and Brooklyn. Commenting on the company's plans, the Buffalo Chamber of Commerce issued a statement which said in part: "The consolidation of production of the American Lithographic Company in Buffalo means that they will add approximately 1000 people to their payroll here. While a number of officials and technical experts will be brought to Buffalo from New York there will be a large number of jobs available, not only in the factory, but also in their accounting and general clerical departments."

Moving of machinery from New York to Buffalo already has been started, and the change is expected to be completed by August 1.

GEORGE W. HELME COMPANY

George W. Helme Company, snuff manufacturers, reports for the year ended December 31, 1930, net profit of $2,231,501, against $2,234,993 in the previous year.

SUNSHINE MELLOWS
Heat Purifies

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

LUCKIES are always kind to your throat

Everyone knows that sunshine mellows — that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE — the finest cigarette you ever smoked, made of the finest tobaccos — the Cream of the Crop — THEN — "IT'S TOASTED." Everyone knows that heat purifies and so "TOASTING" — that extra, secret process — removes harmful irritants that cause throat irritation and coughing.

TUNE IN — The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

"It's toasted"

Your Throat Protection — against irritation — against cough

© 1931, The American Tobacco Co., Mfrs.

NEW "DUTCH MASTERS" BROADCAST

A SERIES of musical programs novel in conception, arrangement and presentation will be inaugurated over the Columbia chain on Friday, February 27, under the sponsorship of the Consolidated Cigar Corporation, makers of "Dutch Masters" cigars.

"The Dutch Masters", singers and musicians of national reputation, will broadcast over WABC and the Columbia network from 8:30 to 9:00 P. M., E. S. T., every Friday. Their programs will consist of old-time popular songs and will include vocal, instrumental and orchestral selections.

Featured on the new presentation will be Lillian Taiz, musical comedy prima donna; a young man who ranks among the foremost American baritones and who has sung with the Philadelphia Grand Opera Company, the Philadelphia Symphony Orchestra and the New York Philharmonic-Symphony Orchestra, and Jack Smart, already well known to radio listeners as the "Joe" of Graybar's "Mr. and Mrs."

In addition there will be an orchestra of eighteen pieces under the direction of Eugene Ormandy, former conductor of the symphony orchestra at the Capitol Theatre in New York City and a guest conductor of the Philadelphia Symphony and the New York Philharmonic Orchestras.

The New "Dutch Masters'" "Till We Meet Again" presentation has been designed to reach the maximum number of listeners between the ages of twenty and sixty. Before deciding upon this type of program the makers of "Dutch Masters" cigars conducted an exhaustive survey, covering more than 100,000 individuals and a score of music publishing houses, to determine the kind of music closest to the heart of the individual. It was found that the music that had etched itself strongest on his mind was that with which he had become familiar in the days of his youth, between the ages of fifteen and twenty.

Each half-hour program of "The Dutch Masters" will be made up of five groups of musical numbers, each group consisting of four selections. Instead of devoting an entire group to a particular period, "The Dutch Masters" will take each of the four selections in every group from a different period. One selection in each group will be taken from the period of 1895 to 1901, another from 1902 to 1908, the third from 1909 to 1915 and the fourth from 1916 to 1922. It is hoped that in this way each group will contain a selection with which everyone is familiar.

The setting of the presentation will be a typical old tobacco shop run by a picturesque old Dutchman named "Peter Zorn." Everyone in the neighborhood knows "Peter" and likes him, and his friends pass their idle hours hanging around his shop. They have made a regular club of the little living room at the back.

The programs will be enlivened by the conversation of "Peter", his friends and Frank Knight, who will act as announcer and guest at weekly meetings in the tobacco shop.

All the music will be especially arranged for these programs by William Spielter, who has prepared the scores for such Broadway successes as "Princess Flavia", "Greenwich Village Follies", "George White's Scandals", "Three Musketeers", "Luana", "Ziegfeld Follies", "Smiles" and "Ballyhoo." The special musical arrangements will necessitate the writing of more than 2000 pages of manuscript music for "The Dutch Masters" each week.

AMERICAN TOBACCO EMPLOYEES INCREASING

THE close relationship between increased advertising, increased sales and steady employment is shown in a statement just issued for publication by the American Tobacco Company. According to this statement, more people were employed by the American Tobacco Company on December 31, 1930 than on December 31, 1929. This number includes salesmen and factory and office employees.

This increase is concurrent with an increase in the amount of advertising in newspapers and other campaigns, according to officials of the company. Furthermore, this company has had no layoffs; and it has worked at full time and at higher wages.

With steady employment and increased advertising, increased sales are also shown. For the first eleven months of 1930, "Lucky Strike" cigarettes showed an increase of 5,066,000,000 over the same period in 1929. This increase of over 5,000,000,000 compares with an increase of 172,708,000 shown in all cigarettes produced in the same period, according to figures of the United States Treasury Department.

In these days of unemployment and layoff, advertising appears to be an important factor in alleviating the situation in individual companies.

Inventors puzzled for over a century before they evolved the machinery now used for making cigars. The product of their ingenuity is a device so intricate that one cigar company's installation of machines involved over $6,158,750 in machinery alone.

This machine, evolved at great labor and expense, has amply repaid the efforts of research workers by making mass production of quality cigars possible and at the same time eliminating the dangers of spit-tipping, according to leading cigar experts.

The development of this machinery has been responsible for giving the five-cent cigar a definite lead over all other classes of cigars, they assert, pointing out that United States Treasury Department figures show the five-cent class accounting for over 61 per cent. of all cigars smoked in December, 1930.

Blocks of wood hollowed out to the size of the desired cigar tobacco filler, are used in Algeria to make inexpensive cigars. After the filler is inserted the blocks remain under pressure for twelve hours, it is stated.

This simple machinery shows a strong contrast with the intricate devices used in the manufacture of five-cent cigars in this country, tobacco experts comment.

The machinery used in Algerian cigar factories is not of a uniform type and in many tobacco factories is of an obsolete nature.

DRUG, INCORPORATED

The board of directors of Drug, Incorporated, have declared a quarterly dividend of $1 a share on the capital stock, payable March 2d to stockholders of record February 16, 1931.

The programs of "The Dutch Masters" will originate from WABC and will be broadcast from stations WADC, Akron; WCOA, Baltimore; WNAC, Boston; WGR, Buffalo; WBBM, Chicago; WKRC, Cincinnati; WHK, Cleveland; WXYZ, Detroit; WOWO, Fort Wayne; WDRC, Hartford; KMBC, Kansas City; WABC, New York City; KOIL, Omaha-Council Bluffs; WCAU, Philadelphia; WJAS, Pittsburgh; WEAN, Providence; KMOX, St. Louis; WFBL, Syracuse; WSPD, Toledo; WMAL, Washington, and WCCO, Minneapolis.

FOR FEBRUARY

In a smart new setting Chesterfield again expresses its individuality. Rich coloring and a design of effective simplicity make this an unusually effective display piece.

Chesterfield dealers may be sure of a response from such a distinctive window.

LIGGETT & MYERS TOBACCO CO.

Chesterfield

CUBAN EMERGENCY TAX LAW

WITH the exception of tobaccos and other items which are to become effective upon the promulgation of regulations, the tax measure became effective on February 2d.

Export tax on leaf tobacco has been eliminated while the export tax on cigars and the new taxes on imported tobacco products have been passed.

We submit herewith a copy of the report received by us covering the new tobacco schedule in the Cuban Emergency Tax Law as finally passed and signed by the Cuban president, from which it will be noted that the export tax on leaf tobacco as originally passed by the Senate has been eliminated, while the other tax rates proposed in the original bill have finally been enacted.

The following is the report:

Increased Excise and Export Taxes on Tobacco, Tobacco Products and Playing Cards.

Under the provisions of the Cuban emergency tax law, which was passed on January 27th by the Cuban Senate as amended by the House of Representatives on January 23d, the internal taxes on tobacco, tobacco products and playing cards are to be increased, effective on the date to be determined by the president, as follows:

Increased Export Taxes on Tobacco and Tobacco Products

The increased taxes on tobacco and tobacco products for exportation are as follows:

For each 1000 cigars, exported, weighing more than three pounds, $1; for each 1000 cigarettes, exported, weighing not more than three pounds, ten cents.

Increased Taxes on Imported Tobacco Products

The taxes on imported tobacco products are increased as follows:

For each package containing up to sixteen imported cigarettes, in addition to the import duty, five cents; for each pound of imported cut or plug tobacco, in addition to the import duty, fifteen cents.

Internal Taxes on Tobacco Products

The internal taxes on tobacco products, prepared for internal consumption, are increased as follows:

For each 1000 cigars, valued up to $25, $2; valued at more than $25, $3. For each package containing up to sixteen cigarettes, $.0075; and for each pound of cut or plug tobacco, manufactured in the country, ten cents.

The law also specifically prohibits placing money or other tokens or objects representing money in cigarette packages or containers.—Tobacco Merchants Association of the U. S.

KING'S ILLNESS ONLY "SMOKERS THROAT"

King Zog, of Albania, who has been reported gravely ill, is suffering from nothing more serious than "smoker's throat," and needs only a few weeks of quiet for a complete recovery, according to his physician, Dr. Chvostek, of Vienna.

The announcement that the royal patient was suffering from no organic disease discounts reports from Tirana that he had been stricken with cancer and tuberculosis.

According to the reports, the situation was regarded so seriously in the Albanian capital that the Crown Council, before his departure for Vienna, debated the question of succession to the throne.

RALEIGH ADOPTS CUP PACKAGE

THE Brown & Williamson Tobacco Company, Louisville, Ky., has announced that their "Raleigh" cigarettes, heretofore marketed in the wallet package, will soon make its appearance in the conventional cup packing which has become so popular.

New York City has been selected for the initial appearance of the new package since that city handles a tremendous amount of "Raleigh" cigarettes, and the new packages are scheduled to arrive in the hands of the wholesalers this week.

UNITED POLICY DEFINED

Following announcement by the American Tobacco Company that the United Cigar Stores Company was no longer on their direct list, vice-president, Robert W. Jamison, of the United Cigar Stores Company, forwarded the following letter to United Cigar Store managers outlining their policy:

"There has been so much misinformation as to why we are not purchasing direct from the American Tobacco Company that in order you may understand the situation we are writing you this letter.

"The president of the American Tobacco Company took exception to our selling merchandise of a competing nature to his "Lucky Strike" brand on a sales deal which we had effective for one week and in which sales deal we did not include "Lucky Strike" cigarettes. Because we did not include the American Tobacco Company's merchandise in this deal they decided to discontinue selling us direct.

"We insist that we have the sole right and privilege to determine which merchandise we should feature, to what line of goods we shall lend our intensive sales promotion and co-operation, and we absolutely refuse to accept dictation on this matter from any manufacturer.

"You men know that with our thirty million sales customers per month we undoubtedly have the public good will—a good will that you men who have become good salesmen have been instrumental in building, together with the help of our merchandising plans. Were we to accept outside dictation on sales plans from different people our program and function will at once become confused and of no value to you, the manufacturer or our company.

"We are gradually perfecting an organization of real sales value, and, accordingly, we cannot under any circumstances permit any person or persons to interfere with the functioning of this company along the lines we deem best and most constructive."

NO CIGAR LIGHTERS IN POLAND

Cigarette lighters and fancy match boxes are banned under a new agreement between the Polish Government and the Swedish Match Trust, according to recent reports.

The contract for a new loan to Poland by the Kreuger Match Corporation gives the Swedish concern the right to forcible purchase of factories making lighters and similar devices. This and other terms have been approved by the Polish Diet.

AMERICAN SNUFF REPORT

The American Snuff Company reports for 1930 net income of $1,893,049, equivalent to $3.76 a share on the common stock, against $2,109,581, or $4.25 a share in 1929.

MORROW HEADS WARD BAKING COMPANY

AS THE result of the successful fight to oust the present management of the Ward Baking Company, new officers were elected last week, with George K. Morrow as chairman of the board and Frederick K. Morrow, his brother, as president.

John M. Barber, secretary, and George W. Zacharias, treasurer, were retained in their present positions.

Members of the Executive Committee elected were George and Frederick Morrow, Charles Hayden, Edgar Palmer, T. H. McInmerney, P. W. Jameson and H. L. Cummings.

Stockholders of the company voted January 28th to remove Ralph S. Kent, president, and William C. Evans, chairman of the board, and removal of all but two members of the old board, C. B. Comstock and E. W. Gwinner.

Mr. Hayden, a member of Hayden, Stone & Company; Mr. McInmerney, president of National Dairy Products Company, and Mr. Palmer, chairman of the New Jersey Zinc Company, were members of the committee which obtained proxies from stockholders for the January 28th meeting at Baltimore.

George K. Morrow is chairman of the board of the Gold Dust Corporation and also of the United Cigar Stores Company; and Frederick K. Morrow is president of the United Cigar Stores Company. Mr. Jameson is vice-president of United Cigar Stores Company.

CIGARMAKERS STRIKE IN HAVANA

On February 3d more than a dozen of Cuba's largest labor groups, including the cigarmakers, went on strike at 6 o'clock P. M. for a twenty-four-hour period.

The strike, sponsored by the Cuban Federation of Labor, was ostensibly in sympathy with commercial fishermen but was agreed upon in union meetings the previous night as a protest against Congress' action authorizing President Machado to suspend constitutional guarantees indefinitely.

SWEDISH MATCH ISSUE SUBSCRIBED

The Swedish Match Company, of Stockholm, announced last week that the new issue of 900,000 "B" shares, by which the share capital of the company is increased from 270,000,000 kroner to 360,000,000 kroner ($96,480,000) has been fully subscribed.

The increase of capital stock was made through the issuance of rights to subscribe at a price of 150 per cent. of no par to 90,000,000 kroner par value of new stock in the ratio of one new share for every three shares held, and netted 135,000,000 kroner, or $36,180,000 of new capital.

Accompanying the new share issue which was announced January 5th, an issue of 60,000,000 kroner ($16,000,000) twenty-year 5 per cent. bonds of Swedish Match Company were sold in Sweden at a price of 101, to yield 4.93 per cent.

In connection with the stock issue it is reported that virtually the entire issue has been taken up by the exercise of rights by old shareholders. During the subscription period the price range of the rights varied between nine kroner and sixteen kroner, and closed at about fourteen kroner at the expiration of the subscription period.

CONGRESS CIGAR COMPANY

The Congress Cigar Company reports for 1930 net profit of $1,652,246, equivalent to $4.72 a share, as compared with $2,882,116, or $8.23 a share, in 1929.

Phil M. Phulofax, D. B. I.
(*the retailer's friend*)
says:

"Loafing Capital butters no parsnips"

© B. C., Inc., 1931
Reg. U. S. Pat. Off.

NO MATTER how careful a buyer a merchant may be, I have yet to see the retail stock which does not at times acquire some goods that simply won't jiggle the cash register fast enough to pay its share of the rent and a practical profit on the investment. The capital you've tied up in such stock is loafing capital—not working capital.

There's only one thing to do with stock like that. . . . Get rid of it, somehow. Get your investment back and use it to buy fresh, faster-moving goods.

Here's what I'd do: I'd get a small table—or a good-sized packing box, which I'd cover with crepe paper. Then I'd go over my stock. I'd yank out all the "loafer" goods . . . the disappointing "long shot" cigars that weren't doing my reputation any good anyhow—the "counter sitters" that had become withered and seedy.

I'd do the same with the mints, pipes, lighters, ash trays, knickknacks and gimcracks that had become shop-worn, fly-specked, weather-beaten or just generally too lazy and unattractive to make a noise like a sale. I'd make a "rummage" or "special" sale of the whole shebang . . . I'd put 'em on the aforesaid table or packing box. I'd put a loud help-yourself sign beside 'em. And I'd have every article carry a clear-out price tag that couldn't fail to fetch in the coin from the customers with a fondness for bargains.

I'd go over my stock every day—keep right on weeding it out and keeping my parsnip-buttering stock neat, attractive and salable at full price. I wouldn't leave a single item in my cases or on top of my counter that couldn't show me enough sales action to pay for its parking space. No, siree!

Phil M. Phulofax * D. B. I.

* *Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

P. S.—The above idea isn't all my own. I gotta thank B. W. J.—live-wire cigar retailer who postmarks his letters to me somewhere in Northern New Jersey. He's working the stunt *and getting results!* Have *you* a merchandising idea that your fellow-retailers would be interested in? Send it along.

BAYUK BRANDS BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR
BAYUK HAVANA RIBBON
BAYUK MAPACUBA
BAYUK TRADITION
CHARLES THOMSON

TOBACCO ADVERTISING INCREASING

A TOTAL expenditure of $775,177 was made by the tobacco industry in the month of January for magazine and radio broadcast advertising, compared to an outlay in January of 1930 of $580,859. These figures show an investment in advertising in January, 1931, which was 33.5 per cent. in excess of the January, 1930 total, according to the business survey department of Dorrance, Sullivan & Company, New York advertising agents.

The 1930 accumulative total for the radio broadcasting expenditure of the tobacco industry, which has just become available, shows that $2,076,114 was spent by this industry for time on the radio net works, compared to a total of $1,348,502 for the complete year 1929. The expenditure for radio broadcasting, therefore, increased 54 per cent. for the year 1930 over the amount of money placed in this medium by the tobacco industry in 1929.

The detailed analysis of January, 1931 tobacco advertising shows that $536,197 was expended in national magazines and $21,700 in national farm magazines during the month. These figures compare with a January, 1930 total of $414,976 spent in national magazines and $4825 in national farm magazines.

The December outlay of the industry for radio broadcasting amounted to $217,280 compared to a December, 1929, total of $161,058, an increase of 34.9 per cent.

STEINECKE CIGARS HAND MADE

Taking issue with an article in our February 1st issue which stated that Mary Anderson, director of the Woman's Bureau of the Department of Labor, testified, before the House Appropriations Committee, that women cigarmakers over forty years of age had more difficulty in finding a new place in industry after a lay-off than did younger women, Leopold Lewis, of the R. Steinecke Company, of Passaic, N. J., writes us that from his study "during the past forty-one years in the cigar manufacturing industry the women cigarmakers over forty years old are at that age found better physically fit to enter other employment than from other industries. The older women cigarmakers workmanship is equally as good as the younger women and are employed without any discrimination to age."

Mr. Lewis also takes issue with the statement in the article "That the use of the machines in cigarmaking was universal throughout the country, with the exception of York County, Pa., and Tampa, Fla." Mr. Lewis states that for over half a century his factory products are all hand made.

U. S. TOBACCO NET INCREASES

United States Tobacco Company reports net profit of $2,950,818, or $5.60 a common share in 1930, as compared with $2,771,037, or $5.21 a share in 1929.

Stockholders of the company are asked to approve at the annual meeting, March 3, a proposal to permit the retirement of 29,200 shares of preferred stock which it has accumulated at an average price of less than $125 a share.

John M. Devoe, president of the company, states the outlook for the present year is encouraging.

WAITT AND BOND EARNINGS

Waitt and Bond, Inc., reports for 1930 net income of $418,597, equal to $1.09 a share on the Class B stock, against $489,726, or $1.46 a share, on the Class B stock in 1929.

CAPPER-KELLY BILL

(*Continued from Page 3*)

tract should require the retailer also to agree that he would not in turn sell the product to another dealer for resale below the specified price. The point was made that the Supreme Court already had ruled such a contract in violation of the anti-trust laws, but the amendment carried, 136 to 12.

Other important amendments adopted follow:

Ordering the fixed price to be plainly printed on each article sold; authorizing the retailer to ignore a price which yielded more than 20 per cent. profit; giving merchants in the same city or sales community equal terms as to purchase and resale prices. A large number of amendments which obviously were for the purpose of ridiculing the bill further were voted down as the hour grew late and the House tired of the burlesque.

Edmond A. Whittier, secretary-treasurer of the American Fair Trade Association, has made the following statement:

At a meeting on February 3d, the Senate Committee on Interstate Commerce unanimously voted to defer action on H. R. 11, as passed by the House January 29th, and on the original Capper-Kelly Bill, S. 240, as introduced at the beginning of this Congress by Senator Capper, until hearings could be held. The position of the senators was that there was insufficient time to hold hearings on the bills before the present Congress ends March 4th, and out of the question to expect to have hearings, decision by the Committee, action by the Senate, action again by the House, and in conference to adjust differences.

On February 4th, Senator Brookhart, of Iowa, a member of the Interstate Commerce Committee, fired the opening gun in the Senate campaign in a speech in the Senate, which will be found on page 4020 of the Congressional Record of that date, and of which copies will be furnished on request as soon as available. Senator Brookhart made a forceful presentation of existing price-cutting evils, and concluded with an earnest plea for prompt action, in the following words:

"I respectfully submit that in the light of the gravity of the situation and the urgent need of immediate relief the Capper-Kelly Fair Trade Bill should be considered by the Senate at the earliest possible date."

It is understood to be Senator Capper's intention to reintroduce the original Capper-Kelly Bill, S. 240, on the opening day of the next session, and to press for its passage.

It should be understood that the House amendments were accepted in committee of the whole when there were about 400 members on the floor, and the excitement and din at times was so great that many failed to comprehend relation of the amendments to the context of the bill; but they all understood the motion to recommit, which was voted down by 210 to 147, and the vote against recommittal would have been very much larger but for the fact that some of our own friends thought that the amendments should be rectified.

The vital principle of the right of contract between producers and distributors of trademarked products was thus approved and the bill finally passed by the House without a roll call.

The bill's sponsors and friends in both houses believe that when the bill is reported by the Senate Interstate Commerce Committee, it will be entirely satisfactory as a thoroughgoing measure to curb the price-cutting evil in all industries.

SIR CUNLIFFE-OWEN SEES REVIVAL HERE

SIR HUGO CUNLIFFE-OWEN, chairman of the British American Tobacco Company, arrived in New York last week en route to China via Vancouver, and was met by officials of the Brown & Williamson Tobacco Corporation, a subsidiary of the British American Company.

Upon being asked his views on business conditions, Sir Hugo stated: "In my opinion the United States will be the first country to recover from this general world-wide depression, because the demand for replacements will make itself felt in April and the factories will have to start manufacturing all kinds of goods to meet the orders from purchasers. The recovery of America will react in Europe and stir up trade and commerce everywhere."

Sir Hugo will spend two weeks in Shanghai inspecting British American interests there before returning to London.

"OLD GOLD" NUMEROLOGIST BROADCAST

Lorna Fantin, numerologist, is being heard twice weekly over WABC and the Columbia Broadcasting System, beginning Tuesday, January 27th, in a new series of programs sponsored by the P. Lorillard Company to be known as "Old Gold Character Readings."

The series will continue for fifty-two weeks, on Tuesdays from 8:15 to 8:30 P. M., eastern standard time, and on Thursdays from 9:15 to 9:30 P. M.

Miss Fantin's radio talk will include numerological observations on important news events of the day, celebrities, sporting events, and forecasts of the future.

The science of numbers dates back many centuries. She says that each digit from one to nine has a special meaning, especially in connection with names and birth dates.

"Numerologically, we live in a cycle from one to nine," Miss Fantin says, "and 1931, for example, happens to be a five year. Five is the number of change. It is the number that foreshadows things that are brilliant and new. It is a good year to try for bigger objectives."

KOHEN NEW HEAD OF I. R. T. A.

At the regular meeting of the Independent Retail Tobacconists' Association, held at the Hotel Pennsylvania last week, Michael Kohen, one of the most active workers of the organization, was nominated for president of the organization to succeed Nat Schultz, who has declined to accept the nomination for re-election. Since Mr. Kohen is unopposed, his election would seem assured. Lou Cohen was nominated for first vice-president, unopposed; Jack Levine was nominated for treasurer, and Dave Ferkin for secretary.

A resolution to increase the dues of the association from two to twelve dollars was defeated after a spirited contest.

The move to place each vice-president at the head of a committee was passed at its third reading.

NEW CIGAR FIRM FOR RED LION

A new cigar manufacturing concern has been organized in Red Lion by James McGuigan, son of H. W. McGuigan, who was compelled to relinquish his studies at Albright College on account of ill health, and Roy R. Smith, who conducted a cigar factory on Atlantic Avenue, Red Lion, for a number of years. They will market a new five-cent cigar under the label, "Hello World."

THERE'S no other cigarette just like a Raleigh. And no real Raleigh smoker will accept any other. That means sure, steady business for every merchant who sells them.

Brown & Williamson Tobacco Corporation
Louisville, Ky.

Thousands of New Words are included in WEBSTER'S NEW INTERNATIONAL DICTIONARY

such as *altimeter, insulin, robot, ethyl gas, Cather, Sandburg, etc.*

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MILTON RANCK, Lancaster, Pa. ..... Vice-President
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ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

AMERICAN TOBACCO CO. NOT DISCRIMINATING AGAINST JEWISH EMPLOYEES

FOLLOWING many rumors that the American Tobacco Company had discharged a large number of Jewish employees, which was emphatically denied by George W. Hill, president of the company, an investigation was undertaken by the American Jewish Congress, after which the Congress issued the following statement:

"A rumor is become widely current that the American Tobacco Company, manufacturers of 'Lucky Strike' cigarettes, had discharged all its Jewish employees. An altogether unfounded corollary to the rumor is that Dr. Stephen S. Wise, rabbi of the Free Synagogue, president of the Jewish Institute of Religion and honorary president of the American Jewish Congress, had declared during a radio address that the company was guilty of such discharges.

"In order to ascertain the truth of the situation, Rabbi J. X. Cohen, associated with Dr. Wise in the ministry of the Free Synagogue, who had been making an extended study of the whole problem of anti-Jewish discrimination in employment, was requested by Dr. Wise and by the Hon. Bernard S. Deutsch, president of the American Jewish Congress, to make a thorough investigation.

Cooperation Given

"Rabbi Cohen received the full cooperation of George W. Hill, president of the American Tobacco Company, who offered the complete freedom of the company's records and unhindered opportunity to converse with the employees of the company. An examination of the executive office's payrolls and other company records disclosed that during the past ten weeks—which more than covers the period during which the rumor began to circulate—the company discharged only two employees. They were both persons engaged for temporary work, and neither of them was Jewish.

"It is clearly evident, therefore, that the rumors now being circulated concerning the discharge of hundreds and even thousands of Jewish employees by the company are completely unfounded.

No Discrimination Found

"The opportunity presented for studying the company's personnel was availed of in order to ascertain whether the company practiced any specific employment policy. It was established to the satisfaction of the investigator that the company maintains no racial or religious classification and practices no discrimination. Jewish employees were found in all positions, ranging from office boys upward to major executive posts. The Jewish employees that were questioned expressed themselves as pleased with their treatment by the company regarding all aspects of their employment, including opportunities for advancement. Many of the major executive positions are occupied by Jewish persons, some of whom have worked up from the ranks.

"There are a number of companies charged with discriminating against Jewish employees. The American Jewish Congress is glad at this time publicly to state that no such charge of discrimination can justifiably be leveled against the American Tobacco Company, which has, on the contrary, been fair and just in providing employment opportunities for Jewish persons. The American Jewish Congress hopes that with the publication of this report people will cease circulating the baseless report concerning the company, whose principal brand of cigarettes—'Lucky Strike'—has been on the target for the false rumors.

"The Committee on Employment Discrimination of the American Jewish Congress, of which David L. Podell is chairman, is considering the publication of a white list of employers, and will be pleased to include in such list, if published, the name of the American Tobacco Company."

MAY REFUND $450,000 FOR STAMPS

THE Treasury estimates that $450,000 of claims will be presented under the Thatcher bill (H. R. 10658) for amendment of the law regarding redemption of internal revenue stamps on tobacco which the House passed January 29, and sent to the Senate.

The purpose of the amendment, according to the Ways and Means Committee, which reported it, is to make it clear that the four-year statute of limitation, applicable to unused stamps in the Act of May 12, 1900, will not apply in the case of redemption of stamps on goods withdrawn from the market.

The proposed legislation would amend existing law to permit manufacturers, under Treasury regulations, to recover the value of internal revenue stamps affixed to tobacco manufactures, which have been removed from the place of manufacture for consumption or sale, but which the owner has been unable to market, or which may have become damaged or stale, or otherwise unmerchantable through failure of a new brand to sell, by reason of faulty or unattractive packages, or for other legitimate reasons.

According to the committee, requirement that manufacturers export damaged or defective tobacco products in order to secure refund of the stamp taxes, not only causes them inconvenience and loss, but also results in dumping into foreign markets unsatisfactory American manufactures, with the consequence that American-made goods suffer in reputation abroad. One of the purposes of the bill is to obviate this situation, according to its sponsor.

HARTMAN TO CLOSE NEW YORK OFFICE

Last week it was learned that Morris J. Gershel and George F. Gershel, who have been associated with the Hartman Tobacco Company since the purchase of their business by the Hartman Company, will not be re-elected directors of the company at their own request, due to plans they have for other connections in the tobacco industry.

The New York offices of the Hartman Company will be closed on March 1st, and the company will continue the raising and packing of Connecticut Shade-grown tobacco, which includes the famous Stewart farm crop, which bears a very high reputation for quality tobacco.

The Gershels became associated with the Hartman Company in October, 1929, when the Shade tobacco business of L. Gershel's Son, Incorporated, was purchased by the Hartman Company. The Gershel business dated back to 1866, when it was established by the late Leopold Gershel in Troy, N. Y.

B. & W. MOVES SAN FRANCISCO OFFICE

The Brown & Williamson Tobacco Corporation offices in San Francisco have been moved from 60 Federal Street to 383 Brannan Street. J. G. Hart, secretary, has been called to headquarters of the firm in Louisville, after concluding a very successful year on the coast on "Sir Walter Raleigh" smoking tobacco and "Raleigh" cigarettes.

IN JAIL FOR CUTTING PRICES

BECAUSE he had put notices in the windows of his shop announcing he had cut the price of cigarettes, a Berlin tobacconist was senteneed to twelve months' imprisonment, states *The Star* (London).

A representative of the "Price Control Board" of the cigarette company secured an injunction against him, but the Court decided that the tobacconist acted in accordance with the government's desire to lower prices.

The cigarette cartel challenged the judgment, and in the upper court the decision was reversed, the Court holding that irregular action was not in accordance with the government's intentions.

The tobacconist was accordingly fined several thousand marks for infringing trade regulations, with the option of a day's imprisonment for every ten marks he failed to pay. As the tobacconist was poor, the sentence amounted to more than a year's imprisonment.

After spending four months in prison, the tobacconist was released. Shortly after his release the tobacco industry took action to have him arrested again.

ROBERTS RETIRES FROM STEINECKE COMPANY

Last week it was announced that William Roberts, president and head of the R. Steinecke Company, cigar manufacturers of Passaic, N. J., had retired from active management of the company. Mr. Roberts has been associated with the company for more than fifty years and has been president of the company for the past twenty-three years.

The company will be continued, headed by Leopold Lewis, president; Irving J. Hahn, vice-president, and Joseph Neuwirth, secretary.

Mr. Lewis has been associated with the manufacturing department of the company for forty years, Mr. Hahn for twenty-six years, and Mr. Neuwirth for ten years, so that the business will be continued under the management of men who have had a long experience in the company, and of recognized ability.

Mr. Hahn will continue in his capacity as sales representative and has returned to the middle west after his visit to New York City in connection with the reorganization. He will continue to maintain his headquarters in Chicago.

The principal brand of the company is "Aresco," which is a well known and popular brand with Sumatra wrapper and clear Havana filler.

DUYS HEADQUARTERS TO BE MOVED

H. Duys & Company, dealers in Sumatra, Java, Havana and domestic leaf tobaccos, will move their headquarters from 142 Water Street, where they have been located for a number of years, to 141 Water Street, in the building formerly occupied by Julius Marqusee & Son. The move will probably be made some time during the month of April.

This change in the headquarters of Duys & Company is necessitated by the fact that the Chase National Bank has bought the entire block in which the Duys offices are located, and all the buildings in the block will be razed preparatory to the erection of a big business structure by the bank.

The new location of the Duys firm will be arranged much the same as their present location, with the private offices in the rear, the general offices in the front and sample rooms on the second floor.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

BUSINESS OPPORTUNITIES.

CONFECTIONERY AND CIGAR BUSINESS FOR SALE—Montgomery County, Pennsylvania. Rent $250. Yearly business $45,263.54. Net profit 13 per cent. Full information upon request. Address Box 551, care of "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN. AROMATIZER. BOX FLAVORS. PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

News from Congress

(Continued from Page 6)

backbone of the small community and which is fighting against the march of the chain stores."

Among the amendments made to the bill was one sponsored by Representative Eaton, Republican, of Colorado, which would make the second contract, that between the wholesaler and the retailer, binding. Another was included directing the manufacturer to print the retail price of his article in legible figures on the container while an amendment permitting the retailer to sell the goods at any price he so desired if the manufacturer has refused to buy the articles back at the price at which they were sold, also met the approval of the House.

Representative Rayburn, Democrat, of Texas, ranking minority member of the House Interstate Commerce Committee, in offering a motion to recommit declared that the bill was a "farce and a fraud," and should be returned to the committee in order that it might again be held. Representative Parker, Republican, of New York, chairman of the committee, also urged that the bill be recommitted.

Representative Huddleston, Democrat, of Alabama, member of the committee in opposing the bill said, that while the sole purpose of the bill is to aid the retailer in competing with the chain store, the "relation that this bill has to the chain store is very remote." As a matter of fact, he said, instead of being against the chain store it tends to aid them.

(Continued on Page 18)

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars $2.00) will be made and so an auditional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

OL' MAN RIVER:—45,851. For all tobacco products. February 9, 1931. The Moehle Litho. Co., Inc., Brooklyn, N. Y.

MAGGIE & JIGG'S:—45,852. For cigars. February 9, 1931. T. C. Smith Cigar Mfg. Co., Red Lion, Pa.

News from Congress

(Continued from Page 17)

"No representatives of any chain store have asked me to oppose this bill," he declared. "Why if they are opposed to the bill why weren't they before the committee? If some want the privilege of selling to the consumer at less than cost, for God's sake let him have it. The consumers are bad enough off as it is. This bill will even prevent stores from holding bargain sales."

He said that what the proponents of the bill are trying to do under the "guise of protecting competition" is destroy it. "If they are honest in advocating the prevention of price cutting why don't they bring in a bill that will do it. No, they want to prevent all competition. What they want to do is fix the price, stabilize it, and destroy all competition."

Representative Kelly pleaded with the members to give the small manufacturer the same opportunity to fix the retail prices of his products as is now afforded the automobile manufacturer.

—

Depression Cuts Foreign Trade

World depression last year lopped more than $2,700,000,000 off our foreign trade and carried both exports and imports below the average for the years from 1922 to 1926, inclusive, it is shown by an analysis just made by the Department of Commerce. The five years ended with 1926, it is explained, were used for comparison as representing normal conditions, 1927 and 1928 showing evidences of the rapid expansion which culminated in the world break in 1929.

Exports of American products last year were valued at $3,843,391,000, compared with $5,240,995,000 in 1929 and a five-year average of $4,461,753,000, while imports amounted to $3,061,091,000, compared with $4,399,361,000 the preceding year and $3,834,451,000 for the five-year period.

With the sole exception of Soviet Russia, trade with every important country last year was markedly under that of 1929. The loss was largely due to declining prices, it is explained by department officials, the reduction in tonnage being much less.

DUYS URGES DRAWBACK ACTION

PRESIDENT DUYS, of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, has advised his organization of the passage by the House of Representatives of an important measure that will enable manufacturers of cigars and other tobacco products to recover nearly half a million dollars in the form of refunds on stamps used upon merchandise which, for various reasons, has become unsaleable. Mr. Duys says:

"The House of Representatives has just passed a bill upon the recommendation of the Treasury Department that, it is estimated, will cause a refund of approximately $450,000 to manufacturers of cigars and other tobacco products which have been removed from place of manufacture for consumption or sale, but which the owner has been unable to market, or which may have become damaged or stale, or otherwise unmerchantable through failure of a new brand to sell, by reason of faulty or other unattractive packaging, or for other legitimate reasons. Some manufacturers also protect their brands by frequently replacing those on the market with fresh goods.

"In reporting this bill, the Ways and Means Committee says: Under existing law a manufacturer, who withdraws such product from the market, must lose the value of the stamp or stamps affixed thereto, unless he exports the product and obtains a drawback of the tax paid. It is estimated that 94 per cent of the drawback paid on tobacco manufactures, during the fiscal year ended June 30, 1929, represented tobacco withdrawn and exported for the purpose of recovering the value of the stamps affixed.

"To require the manufacturers to export damaged or defective tobacco products in order to secure refund of the stamp taxes paid thereon, not only subjects the manufacturers to substantial inconvenience and loss, but also results in dumping into foreign markets unsatisfactory American manufactures, with the consequence that American-made goods suffer in reputation in foreign countries. One of the purposes of this measure is to obviate this situation.

"It is estimated that claims, presented under this bill, will amount to about $450,000, based upon the current rate of tax collections, but will be nearly offset by increased receipts from the sale of stamps to manufacturers on goods that replace the products so removed from the market.

"The purpose of the amendment is to make it clear that the four-year statute of limitation, applicable to unused stamps, contained in the act of May 12, 1900, will not apply in the case of redemption of stamps on goods withdrawn from the market, and was suggested by the Treasury Department.

"This bill, having passed the House, will now be referred to the Senate Finance Committee. Interested manufacturers should communicate with their Senators, and request them to support the measure. Prompt action is necessary, in view of the fact that the present session of Congress will adjourn March 4."

—

NICHOLAS GETS "BOLIVAR" BRAND

G. S. Nicholas & Company, 98 Wall Street, New York City, are now distributors of the imported Havana brand, "Bolivar."

This brand was formerly distributed by Walker & Company, under the management of Captain T. A. N. Walker, for the past ten years. Captain Walker has been transferred to England to look after the distribution of the brand in that country.

MARCH 1, 1931

VOLUME 51 No. 5

THE TOBACCO WORLD

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Autokraft Natural Wood Boxes Are Better Containers For Your Cigars

Wood has always been a natural container for cigars. Both are Nature's products and therein lies an affinity. AUTOKRAFT has been alert to the undeveloped possibilities of the wooden cigar box from both a merchandising and advertising standpoint.

Our laboratory efforts have always been directed toward improving the product, rendering a better service, and in developing economies which enable us to manufacture the highest quality container at no increase in cost to the customer.

AUTOKRAFT is more than a producer of wooden cigar boxes; it is a Service to the cigar manufacturer in assisting him in the study of his container problems. Branch plants in leading cigar manufacturing centers of the country assure every customer that their requirements can be met at all times.

AUTOKRAFT wrapped wooden cigar boxes are the most economical, and at the same time the most distinctive containers for cigars. We will be glad to tell you in detail of the superior merits of our products.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

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Chicago, Ill.
Detroit, Mich.
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PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

NINETEEN-THIRTY-ONE

Is the year to get a true perspective on your business.

It is the year to question your production methods and equipment, your distribution and sales methods and your packing.

Wooden Boxes preserve the original freshness and flavor of cigars, absorb the excess moisture, improve the aroma and allow the cigars to mellow as they should—in the wood.

Volume 51 — Number 5

THE TOBACCO WORLD

Established 1881

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Publishers

Hobart Bishop Hankins, President and Treasurer

Gerald B. Hankins, Secretary

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$2.00 a Year — PHILADELPHIA, MARCH 1, 1931 — Foreign $3.50

SENATE FINANCE COMMITTEE KILLS KENDALL BILL

New York, February 25, 1931.

THE Kendall Bill, advancing the effective date of the provision of the Tariff Act, prohibiting the importation of articles, etc., produced by forced or indentured labor with penal sanctions, from January 1, 1932, as now fixed, to April 1, 1931—passed by the House, was indefinitely postponed today by the Senate Finance Committee.

In view of the shortness of the current session which ends on March 4th, the measure may therefore now be safely regarded as dead.

TOBACCO MERCHANTS ASSOCIATION OF THE U. S.

OLDEST REAL ESTATE OPERATOR, 94, HAS SMOKED CIGARS FOR 82 YEARS

Joseph Ruhe, Allentown's oldest active real estate operator, celebrated his ninety-fourth birthday anniversary on February 20th, and despite his age he is in the best of health and leads a very active life.

Mr. Ruhe states that he has been smoking cigars constantly since he was twelve years old, which was when he started to learn the cigar-making trade. He is very proud of the fact that he was considered one of the best mechanics in that line at that time. After learning the trade in Allentown, he moved to Connecticut, where he was employed and also regarded there as the best workman in the plant in which he was employed.

He made up his own smokers according to his own taste and liking and believes that he acquired the knowledge as to just about the proper combinations for the best cigars.

Mr. Ruhe prides himself on being the city's oldest real estate operator. He began to dabble in real estate when he was a young man, seventy-five years ago, and he has increased his holdings from year to year.

CONSOLIDATED INCREASES ADVERTISING

Julius Lichenstein, president of Consolidated Cigar Corporation, announced that the corporation's advertising appropriation for 1931 will be almost double the 1930 expenditure.

Following a two weeks' shut-down for repairs and inventory, he said, all factories and warehouses, employing nearly 10,000 workers, have resumed full-time operation, with no decrease in the number of employes.

The pamphlet report of Consolidated Cigar Corporation, including subsidiaries for 1930, shows net income of $2,372,535, equivalent to $5.95 a share on the common, against $3,314,090, or $9.46 a share, in 1929.

LORILLARD PROFITS INCREASE OVER 500 PER CENT.

NET profits of P. Lorillard Company for the year, 1930, applicable to surplus, showed an increase of over 500 per cent. over 1929 figures, having mounted to $2,822,831.02 (equivalent to $1.47 per share on the common stock) from $545,123.86 (or twenty-eight cents per common share) according to annual financial report released today. Total net profits for 1930 were $5,601,878.72, an increase of over $2,240,000 above the preceding year.

Surplus as of December 31, 1930, was $16,576,072.92, as compared with the 1929 figure, $13,753,241.90—an increase of nearly three million dollars. At the same time, the cash position was materially strengthened, showing $16,976,385.65 on hand, as compared with $10,774,896.04, the previous year.

Leaf tobacco, manufactured stock, operating supplies, etc., at cost, were reduced by approximately four million dollars, during 1930, to $48,348,634. There was also a reduction of bonded indebtedness amounting to $1,242,000, that amount of 5½ per cent. gold bonds, maturing in July, 1937, having been retired.

The percentage of increase in net earnings, the largest shown by any major tobacco company, is attributed by Lorillard officials to the ever-increasing popularity of "Old Gold" cigarettes throughout the country. "Old Gold" enjoyed an increase in sales every month throughout 1930.

SUES TO HAVE STOCK PLAN VOIDED

R. R. Rogers, an attorney in New York City, has filed a stockholder's suit against the stock increase plan adopted by the company on July 28th last.

Rogers asserts that the plan provided for the sale of 312,000 shares of new stock to officers and employees of the company at $25 a share and he contends that this price is unreasonably far below the present market value of the shares. He claims that officers, directors and employees of the company will gain $30,000,000 by this plan at the expense of other stockholders.

NICHOLAS COMPANY GETS "HABANELLO"

George Zifferblatt & Company, manufacturers of the "Habanello" brand, in order to concentrate the distribution of their brand in the New York City territory, have placed the exclusive distribution of that brand in the hands of the Nicholas Company, Limited.

The facilities of this noted distributor should prove of great benefit in increasing the sale of this quality brand, which has been showing a consistent increase for many months in all territories where it has been placed.

PHILADELPHIA.

SAM BAYUK OFF FOR INSCRIPTIONS

SAMUEL BAYUK, chairman of the board of Bayuk Cigars, Incorporated, left for Europe on Friday, on board the "Aquitania," where he will attend the tobacco inscriptions at Amsterdam and purchase a quantity of tobacco for his company.

A. Joseph Newman, sales manager of Bayuk Cigars, Incorporated, returned to Philadelphia on Saturday after a several weeks' trip to the West and intermediate points, where he found Bayuk brands enjoying a splendid distribution and a satisfactory demand.

Roy Barkman reports a very favorable outlook for the sale of Bayuk cigars throughout the State of Michigan, where he is territorial manager for the Bayuk brands.

E. Sharrock, local sales manager for the Philadelphia district, has returned from a trip to Harrisburg, where he found Bayuk cigars nicely displayed and distributed.

A group of twelve students from the Industrial Department of the University of Pennsylvania visited the Bayuk plant at Ninth Street and Columbia Avenue last week and made a trip through the factory which proved highly interesting and educational to them.

MORT HAMMER IN TOWN

Mort Hammer, of the Salvador Rodriguez factory, Tampa, manufacturers of the "Charles the Great" brand, was in town last week and visited Yahn & McDonnell headquarters.

Paul Brogan, vice-president of Yahn & McDonnell, was in New York last week conferring with manufacturers there.

Yahn & McDonnell report a very noticeable increase in business in this territory during the last two weeks.

TINT VACATION EXTENDED

Harry Tint, prominent retailer, located in the Burlington Arcade, has notified his friends here that he has extended his trip to Tampa and Havana so that he will not return to Philadelphia before about March 1st. Mr. Tint had originally intended to return last week.

NEW SIZE FOR "LA PALINA"

ON March 2d, the Congress Cigar Company will launch a new size of the famous "La Palina" family, to be known as "Super Pals." The cigar will be four and three-quarters inches long and will retail at six cents.

Willis Andruss, general sales manager, states that the Congress Cigar Company realizes that six cents is not a popular price for cigars, but that when the smoker realizes the real value that is in this new size they will not be unwilling to pay six cents, and they believe that it will become a popular smoke.

Jacob Paley returned on Wednesday from a short visit in Havana.

A. & H. FEATURING "OLD GOLD"

At the A. & H. Trading Corporation, 1018 Filbert Street, they are featuring a special deal for retailers consisting of 1000 "Old Gold" cigarettes and 100 "Rocky Ford" cigars at a very low price which will show the retailers a substantial profit. This deal is going over in a big way under the able guidance of Tom Allely.

Harry Hergesheimer, the other member of the firm, reports that business on their high-grade candies and allied lines is showing a substantial improvement.

JIM HEAD A VISITOR

Jim Head, president of Benson & Hedges, New York, was here last week, and dropped in at John Wagner & Sons offices on Dock Street. Mr. Head sailed for Havana on Saturday.

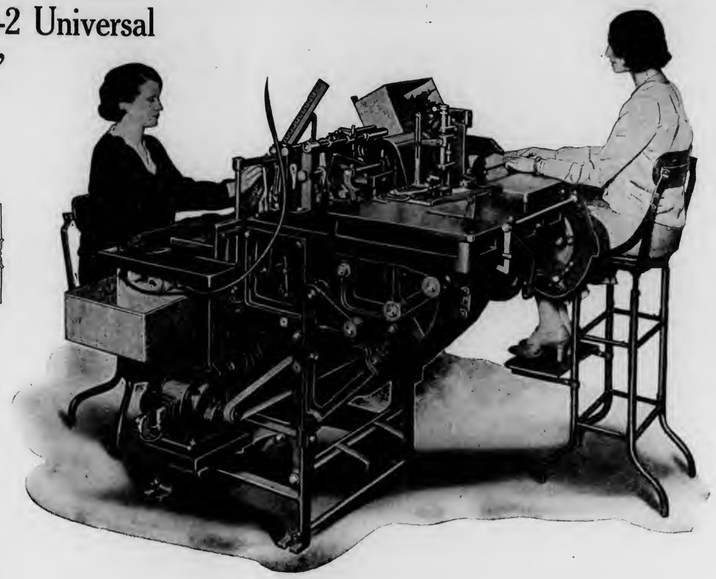
Mr. Davis, of Schwab, Davis y Co., Tampa manufacturers of the "Pancho Arango" cigar, was also a visitor last week. "Pancho Arango" is a big seller with the John Wagner & Sons organization.

Business is running along on a highly satisfactory level with Wagner.

GRABOSKYS LEASE FORMER G. H. P. BUILDING

Louis and Ted Grabosky, sons of Samuel Grabosky, former head of the G. H. P. Cigar Company, have obtained a lease on the building located on North Second Street, near Market Street, for a term of years, beginning March 1st, and it is anticipated they will begin cigar manufacturing operations in the very near future.

The New Model S-2 Universal "Cross Feed Type" Long-Filler Bunch Machine



Large and small size filler can be readily worked together, and two or more different kinds of filler may be blended as the tobacco is being fed into the cross feed of the Machine.

WE list here a few of the important and highly efficient features of the Model S-2 Universal "Cross Feed Type" Long Filler Bunch Machine:

A—The filler is fed into the trough of the Cross Feed in a continuous stream and automatically cut to the proper length, insuring well filled out bunches throughout their entire length.

B—Automatic in its operation, it feeds, and cuts the filler to length, sizes the bunch and rolls the filler in the binder. The only hand operations are the laying of the binder on the rolling table and placing the filler in the feed trough.

C—The Suction Binder Equipment assures an increased yield of binders also smoother and more perfectly rolled bunches.

D—Produces well-conditioned, spongy, free-smoking bunches—the equal of hand work in every respect.

E—Good-conditioned bunches are assured by "laying up" the filler mechanically in exactly the same way as is done by hand; a few sprigs of filler being intermittently added until the bunch is built up to the proper size and condition.

F—Easily and quickly adjusted for any size or length of bunch or for right or left hand bunches.

G—Any shape or size bunch can be made on the same machine with slight mechanical changes.

H—Can be used on mold work or in conjunction with the Universal Model "R" and other Automatic Cigar Rolling Machines.

I—Quickly and accurately adjusted to different conditions of filler.

J—Assures uniformity of bunches at all times in both size and weight.

K—Sturdy and simple in construction—easy to operate and handle. Requires no expert mechanical attention.

THIS, our latest Long Filler Bunch Machine, the Model S-2 "Cross Feed Type", has been subjected to the severest practical factory tests in the making of high grade cigars in large and small Clear Havana factories, as well as factories where Domestic and Blended Filler are used, with the result that its performance has come up to the highest expectations, both as to quantity and quality of product.

The "Cross Feed" method of feeding eliminates faulty bunches, from the standpoint of weak heads, tucks or soft spots in the body of the bunch. It also eliminates the cutting up of fillers—no shorts are produced by the machine, that would ordinarily have to be worked up in the bunch. The filler is fed into the trough of the "Cross Feed" in a continuous stream, and automatically cut to the proper length. The filler is fed into the "Cross Feed" trough in a way that makes necessary the lapping of the leaves and thus the building up of the bunch in exactly the same manner as the hand worker does. Cigar manufacturers will readily realize the importance of this, where small size filler is used (second and third size Havana). This also holds true on all Havana and domestic fillers.

The price of the Model S-2 "Cross Feed Type" Universal Long Filler Bunch Machine, equipped with Two Posture Chairs, Individual Drive, ¼ H. P. Motor and complete Suction Equipment, is $2,325.00. F. O. B. our factory, Newark, N. J.

Rebuilding Model T "Blending Type" Universal Long Filler Bunch Machines into Model S-2 "Cross Feed Type" will cost $1,000. Doing the same with Model S "Standard Type" Universal Long Filler Bunch Machines will cost $750 F. O. B. our factory, Newark, N. J.

Convenient Time Payment Terms in United States and Canada.

UNIVERSAL TOBACCO MACHINE COMPANY, 40 East 34th Street, New York

A. BERKOWITZ IN TOWN

A. BERKOWITZ, United States representative, except the Southern territory, for the Christian Peper Tobacco Company, St. Louis, Mo., was in town this week with a full line of samples of high-grade smoking tobacco, chewing tobacco and cigarettes, and gathered up some nice orders for his firm.

Included in his firm's brands are "Listerine" cigarettes, "All Jacks" cigarettes, "Wellington," "English Walnut" and "Monogram" smoking tobacco, "T & B" plug and "Etwist" twist of pure leaf tobacco wrapped in cellophane. All the above-mentioned brands are justly famous for their high quality and are enjoying a highly satisfactory sale.

Mr. Berkowitz has been associated with the cigarette and smoking tobacco industry for a good many years and can be relied upon to sell only quality merchandise, and he is sure he is making no mistake in recommending Christian Peper brands to his many friends in the trade.

Speaking of the "Wellington" brand, Elmer C. Peper, president of the company, says: "Tobacco smokers little realize what a difference there is between a mixed tobacco and a blended tobacco. They can't, because they have no opportunity of making comparison on exactly the same leaf. Take "Wellington"—the selection of the seven different tobaccos, and their proper quantities, was the result of seventy-eight years' experience in the tobacco business. Given these seven tobaccos, one might say it would be an easy matter to mix them. It is, if you mix them. It isn't, if you blend them. Each one of the seven goes through a different process in order to bring out the quality for which it was selected. The nature, time, heat and moisture of each process is different.

"Some of these tobaccos are mixed warm, some cold, some wet and some dry. Each one is added at a particular stage of the blending. Such a little thing, for instance, as the direction of the wind, makes a difference in our treatment. Sounds funny, perhaps, but the direction of the wind affects the temperature, as well as the draft and moisture in our factories. It is thus only by the exercise of extreme care, in every detail, that the best of the flavors of the seven kinds of tobacco can be refined and blended into a smoke whose composite natural flavor is most unusual."

The old Christian Peper Tobacco Company was established in 1852, at which time tobacco was dried only on nice sunny days on the roof, and the flavor was cooked in the kitchen at home. The business is now in the hands of the third generation and the same careful treatment is still being given the smoking tobaccos today as those which established such a high reputation for Christian Peper brands years ago, but thoroughly modern and sanitary methods are now used in the manufacturing process.

WALGREEN CIGAR PRICES

Cigar retailers in Philadelphia are having a tough time meeting competition with the windows of the Walgreen stores here filled with the nationally advertised brands at the following prices: Five-cent cigars at nine for thirty-nine cents; ten-cent cigars at five for thirty-nine cents; fifteen-cent cigars at five for sixty cents; seven-cent cigars at five for twenty-eight cents, and two for a quarter cigars at three for thirty cents.

"OLD GOLD" DISPLAYS PLENTIFUL

"Old Gold" window displays are quite noticeable about the city in prominent retail locations and an increase in the sales of this brand is reported.

CLUB SEES MOTION PICTURE OF BAYUK MANUFACTURING METHODS

A MOTION PICTURE of unusual interest was shown to approximately one hundred men at a gathering of the Collingswood, N. J., Masonic Club last week, when a picture showing the manufacturing of Bayuk cigars was exhibited there under the direction of Ed. Sharrock, Philadelphia sales manager for Bayuk Cigars, Incorporated, assisted by R. D. Touton, plant engineer of the same organization.

The picture depicted in accurate detail the careful processes followed by the Bayuk organization in the manufacture of Bayuk cigars from the time the seed is planted in the seed beds until the tobacco leaves the Bayuk factory in the form of a finished cigar.

R. D. Touton explained the intricate processes through which the tobacco is passed in detail and in such a manner that it was easily understood by all those present. Mr. Sharrock answered many questions at the conclusion of the picture, and a highly favorable impression of Bayuk "Ripe Tobacco" cigars was created on those present.

An invitation was extended to all those present to visit the factory at Ninth Street and Columbia Avenue, Philadelphia, and see for themselves the actual manufacture of Bayuk cigars, and a group of members took advantage of the invitation during the past week.

A substantial increase may confidently be looked for in the sale of Bayuk brands at the club stand in the future, which George Pruitt, Bayuk salesman for that territory, can be counted on to take care of with pleasure. George is also a member of the club.

CHANDLER ON THE JOB

Homer E. Chandler, division manager for the Brown & Williamson Tobacco Corporation, Louisville, Ky., manufacturers of the "Raleigh" cigarettes and "Sir Walter Raleigh" smoking tobacco, has been in Philadelphia for a week assisting the local sales force on a special offer of "Sir Walter Raleigh" tobacco in combination with a "Missouri Meerschaum." This quality brand has a promising future in the Philadelphia market.

MOULSDALE JOINS MORGAN COMPANY

Dave Moulsdale, one of the most widely known cigar salesmen in the trade, and formerly connected with the firm of Sanchez & Haya until that firm was merged with Wangler & Mandell, has become associated with the Morgan Cigar Company, of Tampa, and will soon be on the road with his sample case boosting the sale of their clear Havana brands, "Juan de Fuca," "Lozano," etc.

KLAUBER-WANGENHEIM TAKE ON "EL TORO"

The Klauber-Wangenheim Company, cigar and tobacco distributors, of Los Angeles, Cal., and Santiago, have taken on the "El Toro" brand (Porto Rican-American Tobacco Company) for distribution in their territory.

They are also distributors of the "La Palina" cigar in that section, and report a splendid demand.

AMERICAN CIGAR COMPANY

The American Cigar Company for 1930 had net loss of $1,590,870, against net profit of $1,899,957 in the previous year.

SUNSHINE MELLOWS

Heat Purifies

LUCKIES are always kind to your throat

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

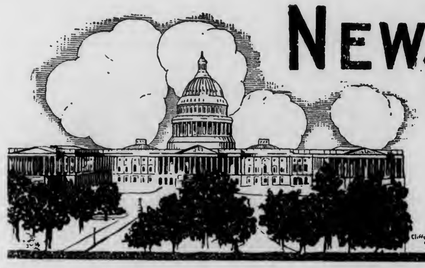
Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED"—an extra, secret heating process. Harsh irritants present in all raw tobaccos are expelled by "TOASTING." These irritants are sold to others. They are not present in your LUCKY STRIKE. No wonder LUCKIES are always kind to your throat.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

"It's toasted"

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

BY A VOTE of eight to six, the Senate Finance Committee on February 25th rejected the Kendall bill prohibiting the importation after April 1st of goods produced with forced or indentured labor.

Action of the committee was taken a day after representatives of the cigar manufacturing industry had appeared in opposition to the measure, following a similar appearance before the Bureau of Customs where they replied to the demand of the Connecticut Valley and Northern Florida growers for an embargo on Sumatra wrapper.

Julius Parker, counsel for the American Tobacco Company, who appeared before the Senate committee, declared that by making the forced or indentured labor provisions of the bill effective April 1st, instead of January 1st, 1932, as provided in the 1930 Tariff Act, the 1931 Sumatra tobacco crop would be barred from entry into the United States.

He urged the committee to let the present date of January 1, 1932, stand as the Dutch government is now endeavoring to amend its law regarding the use of such labor on the Island of Sumatra and it was his understanding that such changes would be made in time to permit the entry of the crop after that date. He said, however, that the matter could not be straightened out before April 1st, as forced labor has already been used in the 1931 crop and therefore this year's production would be excluded entry.

In their appearance before the Customs Bureau the cigar manufacturers held that an embargo on Sumatra wrapper would seriously disrupt their business, through the necessity of changing the blending of cigars.

About ten days ago growers appeared before the bureau with the demand that an immediate embargo be placed on Sumatra wrapper. It was their contention that a sufficient supply of equally good tobacco could be produced in the United States and that the Sumatra tobacco was in effect produced by convict labor.

Section 307 of the Tariff Act of 1930, which places a ban on products of indentured and forced labor, goes into effect January 1, 1932. Holding that the Sumatra tobacco is produced by convict labor the growers insisted on an immediate embargo.

The Associated Cigar Manufacturers and Leaf Tobacco Dealers, of New York, said to represent an output of about 5,000,000,000 of the 6,000,000,000 cigars produced in this country last year, and other manufacturers and dealers asked that no embargo be placed April 1st.

Tobacco growers of Connecticut can supply sufficient wrapper tobacco to supply the cigar industry of the United States, according to testimony given before the Customs Bureau, February 25th, in a hearing in which domestic growers demanded an embargo on Sumatra tobacco, alleging it the product of convict labor.

Cigar manufacturers, appearing before the bureau, objected to an embargo at this time, on the grounds that the domestic growers cannot furnish a sufficient supply of tobacco.

Jerome Kohn, of the Hartman Tobacco Company, of Hartford, Conn., said that Connecticut growers could produce sufficient wrappers for 7,000,000,000 cigars. If Sumatra tobacco were barred immediately the growers in the Connecticut valley would increase their acreage, according to Mr. Kohn.

"We can raise all the wrapper tobacco the world can use," Mr. Kohn testified. "We find now that there is not enough demand for the wrapper tobacco we grow and when it is not purchased for wrapper we sell it for filler and binder in cigars."

H. B. Coulter, of Jacksonville, Fla., appeared on behalf of the growers in the northern section of that state and insisted that they had a large potential production of wrapper tobacco.

Senator-Elect Hull Blames Unemployment on High Tariff

The American Tariff Act of 1930 and the high tariffs of various foreign nations have been the greatest single cause of the present world depression and had international trade been safeguarded from the barriers which now surround it there would be no unemployment problem, according to Senator-elect Cordell Hull of Tennessee.

"The best remedy for unemployment," Mr. Hull asserted in a statement criticising the 1930 tariff act which, he charges, carries an average ad valorem duty of 48.13 per cent., "is for a nation to sell its surplus. This country can no longer depend upon large but temporary programs of building and highway construction, or of the expansion of the automobile, installment sales and American loans abroad, but we must look beyond the seas, where unlimited trade opportunities beckon to us, for vital, stable and permanent aid to our domestic prosperity."

One of the underlying causes of the present depression, he asserted, has been the inability of the various countries to dispose of their surpluses, because of the high tariff barriers erected by the nations which form their logical market. The result has been, he said, that prices have declined and there has been widespread unemployment.

(Continued on Page 14)

I'm "that way" about P. A.

THE fragrance that floated up when I opened that first tidy red tin told me: "You're going to like P. A.—and like it lots." I could feel my smoke-appetite tugging at the bow-lines. I got under full sail with the very first pipe-load. Right from the start. And I mean "*right*."

Cool as "I'm sorry . . . I have an engagement." Sweet as "But, Big Boy, I'll break it for *you*." Mellow and mild and refreshing as a summer breeze on the quarter-deck. Not only on that first fire-up, but on the thousands that have followed. Prince Albert is *my* idea of swell tobacco.

No matter how you take it . . . jimmy-pipe or roll-your-own . . . Prince Albert makes bedtime a nuisance. I mean, when you get going with this man's tobacco, you'll hate to turn off the radio, put up the window, and put out the light. Try Prince Albert—the world *can't* be wrong!

No other tobacco is like it

PRINCE ALBERT

—the national joy-smoke!

© 1930, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

NEW CELLOPHANE WRAPS FOR "CAMELS"

"CAMEL" cigarettes are on the market in moisture-proof cellophane under a new tight seal which makes the moisture loss of the cigarettes practically negligible for a long period after manufacture. It is stated that "Camels" in their new wrap will be available at almost every store throughout the country in a few days.

One of the heretofore apparently insurmountable difficulties of the cigarette manufacturer lay in the absence of any practical method for maintaining effectively the condition of cigarettes until they reached the smoker. No moisture-proof material that was practically usable was on the market, and even if the material had been available, no machine had been developed which would put the material on the package with all joints tightly sealed. The problem was, therefore, twofold. The invention and introduction of moisture-proof cellophane by the duPont Company seemed to answer the question of what material could be used and the R. J. Reynolds Tobacco Company, through its own laboratory and in collaboration with other scientists, proceeded to make studies and laboratory tests and experiments through a long period of months. Out of these experiments came the conclusion and proof that moisture-proof cellophane was the long-looked-for material. Meanwhile, through its own mechanical department and in collaboration with a machinery company, another line of experimentation was being carried on with a view to developing a machine which would apply the moisture-proof cellophane with a seal as tight against moisture as is the cellophane itself. With such a machine eventually developed, the Reynolds plants were promptly equipped with it and all production was immediately put in the moisture-proof seal made possible through the new machines, with which only the Reynolds plants are equipped.

It is reported that the laboratory test for moisture-loss of cigarettes wrapped in moisture-proof cellophane under the new tight seal is at a rate of only a fraction of the moisture loss in an unwrapped package or in a package wrapped with the glassine paper in ordinary use.

Every smoker realizes that the condition in which a cigarette is at the time of smoking has almost everything to do with his comfort and enjoyment in the smoking of it. This question of condition of the cigarette at the time of smoking has always been recognized by manufacturers as one which, until solved, could, after everything else was done, deprive the smoker of much of the comfort and pleasure to which he is entitled. But no manufacturer has heretofore been able to solve it. The Reynolds Company feels that the moisture-proof cellophane wrapping with the tight seal, with which every package of "Camel" cigarettes now goes to the smoker, will prove the greatest boon to smokers in a generation and the most outstanding improvement developed by any manufacturer in the history of cigarettes.

A CORRECTION

In our previous issue of THE TOBACCO WORLD, we stated that the address of Frank Ahrenhoerster, who has recently resigned from the American Box Supply Company, of Detroit, was 1328a Ohio Avenue, St. Louis, Mo., but Mr. Ahrenhoerster advises us that his correct address is 3128a Ohio Avenue.

He would be very glad to hear from any of his many friends in the trade who could use the services of a good salesman who is widely known in the trade throughout the East and the Middle West.

WEBSTER EISENLOHR REPORT

WEBSTER EISENLOHR, INCORPORATED, reports for 1930 a net loss from operations, after deductions and extraordinary charges, of $246,570. In 1929 the company had a net profit of $170,132, after Federal taxes and minority interest, but with extraordinary charges.

After payment of preferred dividends, etc., the company at the close of the year had a general surplus balance of $503,729. The consolidation balance sheet shows total assets of $6,158,731 as of December 31, 1930, compared with $18,278,857 at the close of the previous year. During the year the item of goodwill was marked down from $6,812,016 to $1, while inventories were reduced to $2,909,618 from $4,841,308.

Joseph F. Cullman, Jr., president, in his remarks to stockholders stated: "Owing to the change from foil to cellophane protection for cigars, unusual charges have been incurred during the year. Unless some other type of protecting cigars becomes the vogue, losses from this source should not be recurrent. The effort of your management has been to strengthen the cash position of your company and at the same time to improve manufacturing facilities, and to promote sales along sound lines. Manufacturing facilities have been revamped during the year and every effort has been made to improve the quality and workmanship of cigars, and a definite sales promotion policy has been inaugurated."

DRUG, INC., NET INCREASES

Drug, Inc., holding company for the Louis K. Liggett enterprises, has joined the comparatively small list of companies which showed increased earnings last year over the peak year of 1929.

Net earnings for 1930 totaled $21,130,698, compared with net income of $17,013,543 reported for 1929.

The earnings for 1930 as reported, included earnings of Household Products, Inc., and Vick Chemical Company, acquired during the year, as if they had been owned for the full period.

The balance sheet as of December 31, 1930, shows net working capital of $50,000,000, of which virtually $17,000,000 was in cash, and $6,651,471 in United States Treasury certificates, certificates of deposit, municipal, corporation and railroad bonds and other marketable securities.

Earned surplus was increased during the year by $6,900,000. "Upon the return to normal business conditions," the report of W. C. Watt, treasurer, to stockholders, said, "your company is in a position to derive increasing benefits. No effort has been spared to maintain plants and products at a high standard, and the normal policies as to advertising and depreciation have been continued."

HOLT SELLING "Y-B'S"

The Holt Cigar Stores, Penn Square, and Fourth and Chestnut Streets, are offering "Y-B" cigars (Yocum Brothers) at a special price. The ten-cent size of this well-known brand is being offered at half price and is meeting with a heavy demand.

Arthur Holt has recently returned from a trip to Tampa, where he visited the cigar factories, and a stock of cigars from a well-known Tampa factory will soon be displayed in the Holt Stores at a very attractive special price which will make it a real bargain.

JANUARY PRODUCTION SHOWS DECREASE

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of January, 1931, and are issued by the Bureau. (Figures for January, 1931, are subject to revision until published in the annual report):

Products	*Jan., 1930*	*Jan., 1931*
Cigars (large):		
Class A.....No.	262,243,200	252,620,780
Class B.....No.	31,015,920	14,584,000
Class C.....No.	117,913,432	90,697,140
Class D.....No.	7,051,721	4,534,738
Class E.....No.	675,807	502,660
Total.....	418,900,080	362,939,318
Cigars (small).....No.	34,635,920	28,453,013
Cigarettes (large).....No.	855,761	562,581
Cigarettes (small).....No.	10,208,231,773	9,368,208,250
Snuff, manufactured..lbs.	3,765,761	3,630,508
Tobacco, manufact'd..lbs.	29,248,537	28,066,310

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of January:

Products	*Jan., 1930*	*Jan., 1931*
Cigars (large):		
Class A.....No.	3,920,550	8,219,700
Class B.....No.	81,000	112,500
Class C.....No.	477,900	116,550
Total.....	4,479,450	8,448,750
Cigars (small).....No.	.....	1,000,000
Cigarettes (large).....No.	100,000	100,000
Cigarettes (small).....No.	91,440	10,000

Tax-paid products from the Philippine Islands for the month of January:

Products	*Jan., 1930*	*Jan., 1931*
Cigars (large):		
Class A.....No.	12,095,200	9,153,385
Class B.....No.	176,843	106,430
Class C.....No.	44,706	37,854
Class D.....No.	301	600
Class E.....No.	150	1,605
Total.....	12,317,200	9,299,874
Cigarettes (small).....No.	427,830	335,350
Tobacco, manufact'd...lbs.	208	87

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the January statement of Internal Revenue collections:

Objects of Taxation:	*First seven months Fiscal year 1930*	*1931*
Tobacco manufactures:		
Cigars	$13,542,652.68	$11,259,159.51
Cigarettes	212,203,587.07	208,746,629.03
Snuff	4,255,383.47	4,135,092.92
Tobacco, chewing and smoking	35,205,514.01	33,853,051.25

UNITED SUED FOR $1,254,999

ALFRED NEVE, former president of the bankrupt Neve Drug Stores, Incorporated, has brought suit in the Federal Court against the United Cigar Stores Company demanding personal damages of $504,999 covering the loss of his own stock through the failure of the stores and in a separate suit he asks for $750,000 damages as a result of being discharged from the management of the Neve chain. He alleges this was a violation of contract, and in addition to the United names twenty-four individuals and eight other corporations as co-defendants.

If the suit is won the United Cigar Stores Company will be held liable for the failure of the Neve Stores, it is said, and stockholders of the United Retail Chemist Corporation, the organization through which the United Cigar Stores Company is said to have controlled the Neve chain, might also institute suits involving millions of dollars. Mr. Neve charges that the United Cigar Stores Company caused the United Retail Chemist Corporation to lose five million dollars by having the Neve stores adjudged bankrupt.

The United Cigar Stores Company had petitioned the Neve stores in bankruptcy on a claim of $291,000 and Mr. Neve claims that the United ignored certain contracts which if carried out would have made the Neve stores solvent.

"All of the assets of the United Retail Chemist Corporation," the complaint alleges, "have been squandered, dissipated and wrongfully, illegally and fraudulently disposed of to the damage of the United Retail Chemist Corporation and to stockholders in the sum of $10,000,000 and to the plaintiff in the sum of $504,999."

At the time the Neve stores became bankrupt last September, the officers of the United Cigar Stores Company denied emphatically that the company was in any way responsible for the Neve bankruptcy.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

300,000,000 "WHITE OWLS" A YEAR

THE GENERAL CIGAR COMPANY, in a statement issued February 21st, announced that in the four years from 1926 to 1930 the consumption of its "White Owl" cigars had exceeded a billion and a quarter in number, with a payment of more than $8,150,000 to the Government in revenue taxes.

The company also announced that its investment in buildings, equipment and machines for the manufacture of the brand now approximates $3,000,000.

More than 2900 persons are employed and 23,000,000 pounds of tobacco leaf are kept in storage.

The company recently announced a reduction in the retail price of the "White Owl" from seven cents to six cents each.

KOHEN HEADS I. R. T. A.

At the regular meeting of the Independent Retail Tobacconist's Association, held on February 17th, Michael Kohen was elected president of the organization without opposition. Lou Cohen was elected first vice-president; Alfred J. Mechanic, second vice-president; Jesse Barnett, third vice-president; Bernard Schwartz, fourth vice-president; Jack Levine, treasurer; Julius Gottleib, recording secretary; Arthur W. Jones, financial secretary; Harry Oberstein, sergeant-at-arms, and Henry H. Hunter, counsel.

The board of directors consists of: For a three-year term, Lou Liberman, Nat. Jelfling, Morris Baum, Paul Schleissner; for a two-year term, Phil Berkman, Eric Calamie, Jack Miller, H. Mallinger; for one-year term, Benno Wohlgemuth, John Hourihan, Barney Levine and Lou Cohen.

The association went on record as opposed to the exclusion of Sumatra tobacco, which has been advocated by the domestic leaf growers.

Plans for a dinner at which the cigar manufacturers were to be invited to meet with the members of the association for discussion of their interests were cancelled, as it was decided that more could be accomplished by meeting the cigar manufacturers individually than in a group.

IMPERIAL TOBACCO OF CANADA

Imperial Tobacco Company of Canada, Ltd., reports for the fifteen months ended December 31, 1930, net profit of $8,153,638 after charges and taxes, equivalent, after 6 per cent. preferred dividends, to 80 cents a share on 9,451,032 shares of common stock outstanding on December 31st last.

Previous report of the company was for the year ended September 30, 1929, and showed net profit of $5,862,207, equal to 59 cents a share on 9,102,192 common shares then outstanding.

CONGRESS CIGAR EARNINGS

Congress Cigar Company, Inc., reports net sales for 1930 of $11,009,170, as compared with $15,906,394 in the previous year, and net profit of $1,845,735, as compared with $3,198,261.

Net profit, after interest and taxes totaled $1,652,246, against $2,882,116, and after dividend payments of $1,575,000 there was carried to surplus the sum of $77,246.

URGES CHANGE IN LORILLARD BONUS PLAN

IN A LETTER sent to stockholders of the P. Lorillard Company, B. L. Belt, president, has proposed a revision in the bonus by-law of the company that would make the amount to be distributed 5 per cent. of the net profits applicable to dividends on the common stock, instead of 15 per cent. of the net profits above 7 per cent. of the average amount represented by common stock and surplus.

"For several years," Mr. Belt said, "the terms of the by-law have precluded any bonus distribution, and this has proved quite a handicap, in view of the bonus being paid by other companies. In this situation, a division of such profits for bonus purposes on a 5 to 95 basis between employees and common stockholders is suggested as neither unfair nor excessive."

Mr. Belt urged also the revision of contracts made in 1925 for the sale to employees of 100,000 shares of common stock at not less than $30 a share, and 150,000 shares at not less than $20 a share. As none of the 150,000 shares and all of the 100,000 shares were sold, the contracts have proved burdensome, he said. He urged a revision in the price to levels "more consonant with market conditions, say not less than $10 a share."

ENGLISH LEAD IN CIGARETTE CONSUMPTION

According to a survey of American business opportunities in British markets just completed by the London branch of Lord & Thomas and Logan, advertising agents, English men and women smoke more cigarettes than Americans. The total domestic sale of cigarettes in Great Britain in 1930 was 1220 cigarettes per capita as compared with 972 in the United States.

This 25 per cent. greater use of cigarettes in England than in the United States shows that the cigarette has supplanted the pipe as John Bull's favorite smoke.

Before the war Englishmen consumed three times as much tobacco in pipes as in cigarettes, but now cigarettes are in the lead four to one. About 85 per cent. of all tobacco used in British cigarettes is grown in the United States.

JACKMAN ACQUIRES "BANKABLE"

Thomas Jackman, who organized the Tegge-Jackman Co., with headquarters in Detroit, last year, has announced that he has acquired the "Bankable" title, made famous by N. N. Smith, of Frankfort, Ind.

With the facilities available and the organization of the Tegge-Jackman Company behind it, the "Bankable" will undoubtedly show a greatly increased demand in the future.

SNYDER STORE DAMAGED BY FIRE

The Joseph T. Snyder cigar store at 331 Main Street, Buffalo, was damaged by fire on February 17th to the extent of approximately $30,000. The store carries a large stock of tobacco and allied lines, which was destroyed or damaged by the fire and water. It is one of the best known cigar stores in Buffalo.

UNITED STORES DIVIDEND

Directors of the United Stores Corporation, yesterday, increased the quarterly dividend on the preferred stock from 62½ cents a share to $1 a share, placing the stock on a $4 annual dividend basis. The dividend is payable March 16, 1931, to stockholders of record March 2d.

REYNOLDS PLANS BIG AD CAMPAIGN

LAST WEEK it was announced that the R. J. Reynolds Tobacco Company, of Winston-Salem, N. C., would inaugurate intensive newspaper advertising and contest campaigns, to begin February 25, in connection with the change in the packaging of "Camel" cigarettes. The preliminary campaign will be followed by advertising in newspapers, magazines, on the radio, and outdoor display.

Half and full-page advertisements will be placed in daily newspapers, and in many county seat weekly newspapers.

According to the announcement, $50,000 in prizes will be offered in the contest campaign. The contest will close at midnight of March 4th, and the judges will be Charles Dana Gibson, artist; Ray Long, president of International Magazine Company and editor of "Cosmopolitan Magazine," and Roy Howard, chairman of the board of the Scripps-Howard newspapers.

TOBACCO & ALLIED STOCKS, INC.

Report of Tobacco & Allied Stocks, Inc., for the year ended December 31, 1930, shows total income, including $28,888 profit realized from sale of securities, of $224,824. After deducting expenses and taxes paid and accrued, there was net profit, before deduction for decline in market value of investment securities, of $203,032, equivalent to $3.38 a share on 60,000 no-par shares of capital stock.

In the preceding year the company reported for the period January 12th, date of incorporation, to December 31, 1929, net profit, including $162,855 profit realized from sale of securities, of $302,991, after expenses and taxes, but before deducting decline in market value of investment securities, equivalent to $5.05 a share on the stock.

1931 OUTLOOK FOR PENNSYLVANIA TOBACCO

The annual outlook report for 1931, prepared by the Bureau of Agricultural Economics in Washington in cooperation with the various states, says: "Farmers may reasonably expect somewhat lower production costs, a probable tendency toward improvement in market demand, and a greater degree of stability in general commodity prices during 1931.

"The outlook for Pennsylvania filler tobacco appears sufficiently favorable to justify an acreage about the same as that of 1930."

AMERICAN SNUFF COMPANY

Report of the American Snuff Company for the year ended December 31, 1931, shows net income of $1,893,049, after depreciation, federal taxes, etc., equivalent, after dividend requirements on the 6 per cent. preferred stock, to $3.76 a share, $25 par, on 440,000 shares of common stock.

This compares with net income of $2,109,581 in 1929, which was equivalent to $4.25 a share on the same number of shares.

ONE CENT CIGAR POPULAR IN GERMANY

The average German smokes a one-cent cigar, according to advices from Berlin, four-fifths of the price of which is tax.

But the new increase in the tobacco tax, included in Chancellor Bruening's financial reform, has not yet gone into effect. Cigar manufacturers fear that when it does, Germany will stop smoking, as it has already nearly stopped drinking beer.

News from Congress

(Continued from page 8)

President Declares Local Communities Should Shoulder Responsibilities

How the nation will emerge from this period of depression "will be determined by whether the individuals and the local communities continue to meet their responsibilities," President Hoover declared February 12 in delivering an address commemorating Lincoln's Birthday. He spoke over a nation-wide radio hookup from the room where Lincoln "strived and accomplished his great service to our country."

The President earlier had asserted that "due to lack of caution in business and to the impact of forces from an outside world, one-half of which is involved in social and political revolution, the march of our prosperity has been retarded." He recalled the unemployment, losses and hardships, explaining that "in a nation rich in resources," many people were faced with hunger and cold through no fault of their own.

"Our national resources are not only material supplies and material wealth, but a spiritual and moral wealth in kindliness, in compassion, in a sense of obligation of neighbor to neighbor and a realization of responsibility by industry, by business, and the community for its social security and its social welfare," the President said.

Parcel Post Increases Would Offset Deficit

Additional revenues of more than $14,000,000 a year, or approximately enough to offset the present annual deficit in the handling of parcel post matter, would be derived from the increased rates and new weight and size limitations sought by the Post Office Department, it was declared at the opening of hearings before the Interstate Commerce Commission February 19. Revenues from the parcel post service last year were $151,658,537, while the cost of the service was $167,229,267, the commission was told by Third Assistant Postmaster General Tilton.

Studies of the service by the department indicate that a permanent deficit has been experienced in the handling of parcel post and that many desirable articles are excluded by the present regulations.

Efforts have been made in Congress to have the case withdrawn from the commission until Congress could pass upon the proposed rates, but it was explained that the application does not represent merely the desires of the department but was filed under a mandatory provision of the parcel post law which requires reformation of rates for fourth class matter whenever it is found that existing rates do not fully cover expenses.

The hearing last week was confined solely to an exposition of the department's situation, and opponents of the proposed changes will be heard at a later date.

Income Taxes Less

Year-end reports of corporations, which have been studied carefully by Treasury Department experts, indicate that the March collection of income taxes will run from $415,000,000 to $460,000,000, as against $560,000,000 in March, 1930, and $601,000,000 for the same period of 1929.

CIGARS SMOKED REVEAL STRANGE FACTS

AMERICANS blew enough smoke from cigars alone into the air last year to fill the gas container of the Graf Zeppelin 137 times, with enough left over to more than fill the Navy dirigible Los Angeles, or a total of about 511,209,412 cubic feet, computing thirty puffs of five cubic inches to each of the 5,889,132,434 cigars smoked during the period.

Put in another way, if a man could smoke one long cigar made up of them all, he could rest the cigar on the moon, where it would be about evenly balanced. This cigar would be about 464,736 miles long, or almost twice the distance to the moon.

Cigars in the five-cent class comprised well over 60 per cent. of this total, a decided percentage increase over 1929. The recent phenomenal growth of the five-cent cigar is attributed by experts to machinery making mass production possible and eliminating such unsanitary menaces as that of spit-tipping.

The five-cent class cigars alone smoked last year in the United States would stretch around the earth at the Equator eleven times, with over 8000 miles left over.

BROWN & WILLIAMSON HEADQUARTERS TO MOVE SOUTH

It was announced last week that the executive offices of the Brown & Williamson Tobacco Corporation, formerly located in New York City, will be moved to Louisville, Ky., in order to be nearer the factory, which is located there.

The new offices will be located in the factory building, but no definite date for the change of location has been made public.

A sales force will be maintained in New York City, as formerly.

NEW CIGARETTE FOR BENSON & HEDGES

A new cigarette to be known as "Parliament" will be launched on the market in the near future by Benson & Hedges, of New York, manufacturers of high grade cigars and cigarettes, according to an announcement to stockholders last week by James J. Head, president. The new brand has been tried and tested in a very thorough manner during the past several months.

The loss on corporation taxes is expected to be heavier than on individual incomes. The reduction may be even greater than feared. Officials point out that there never has been a year since the war when the difficulties of estimating revenues from income taxes were greater, in view of the depressed situation existing throughout 1930.

No reduction, and possibly an increase, in the public debt is now anticipated for the 1931 fiscal year. Secretary Mellon fears that expenditures will exceed receipts by a half billion dollars.

The Treasury Department maintains a list of selected corporations which pay the bulk of the corporation taxes. The year-end reports of these organizations are studied, and by comparison with reports and taxes of former years a fairly accurate indication may be obtained of the tax revenue anticipated this year. An inspection of the corporation reports for this year is viewed as anything but encouraging from the Government's standpoint.

GENERAL CIGAR IN EXCELLENT POSITION

EARNINGS of General Cigar Company for 1930 were equal to $6.03 a share on 472,982 common shares, against $8.06 a share on 489,084 common shares in 1929.

In 1929 General Cigar's increase in sales was thirty-seven per cent. greater than the country's total increase in cigar production, reaching, in that year, the highest point ever attained by any cigar company in the United States.

During the year, General Cigar cancelled 16,102 shares of its common stock. That stock had been purchased for sale to employees, but, because of the decline in the price, it was not purchased by employees. Consequently, the company decided to retire the stock, and charged $1,071,272, the cost of the shares cancelled, to its capital surplus. That reduced capital surplus to $3,899,658 from $4,970,931.

Best in History

The company closed 1930 in about the best financial condition in its history. Current assets, as of the end of the year showed a slight decline from the year previous, but current liabilities showed a larger drop. Total current assets, on December 31, 1930, were $27,030,564, against current liabilities of $1,681,512, leaving working capital of $25,349,052, compared with working capital of $24,778,764 on December 31, 1929.

The following table compares current assets, current liabilities, working capital and combined capital and profit and loss surplus for the past four years:

	Current assets	*Current liabilities*	*Working capital*	*Combined surplus*
1930...	$27,030,564	$1,681,512	$25,349,052	$17,411,137
1929...	27,663,793	2,885,029	24,778,764	17,587,224
1928...	22,959,605	4,079,763	18,879,842	15,353,057
1927...	21,437,753	1,941,638	18,696,115	14,192,878

Cash on Hand

As of December 31, 1929, General Cigar had outstanding notes payable of $660,000, which were retired during the past year. In addition, on December 1, 1930, pursuant to sinking fund requirements, $700,000 of six per cent. gold notes were retired leaving $3,500,000 outstanding. Despite these financial operations, cash on December 31, 1930, stood at $3,357,211, compared with $2,369,828 on December 31, 1929, and $2,453,822 in 1928.

Deducting charges prior to the common stock of $10,060,000 (including $5,000,000 for preferred stock, mortgage payable $60,000, insurance reserve $500,000, a special reserve of $1,000,000 set up against the preferred stock, and $3,500,000 of gold notes to mature serially until December 1, 1935) from net quick assets of $25,349,052, leaves a total applicable to common stock of $15,289,052, or $32.32 a share on the 472,982 common shares. Current price of the common is around $39.

Total assets applicable to the common stock are $22,709,546, equal to $48.01 a common share. This, of course, allows nothing for the earning power of brand names and goodwill, carried at $1.

The company continued to pay $4 in dividends in 1930, although the requirement was earned by a substantial margin. On February 2, General Cigar paid its eighty-ninth consecutive quarterly dividend on the common stock.

UNITED PLANS 700 MORE

IT IS reported that the United Cigar Stores Company is planning to open two hundred additional cigar stores and five hundred additional United Cigar Store agencies during the current year.

Although the final report of the company for 1930 has not yet been made public, it is estimated that sales were approximately 15 per cent. larger than the previous year and that the estimated net profits will be between $1,500,000 and $1,600,000. In 1929 the company reported a net loss of $1,424,124.

The company disposed of a large number of its leases during 1930 and discontinued a considerable number of its branches which were not proving profitable. Many new units were opened, however, so that at the close of the year the total number of stores in operation was not substantially less than at the close of 1929.

It is stated that about one-third of the total business of the United Cigar Stores Company is done on cigarettes, one-third on cigars and tobacco, and the remaining one-third on sundry merchandise.

MARTIN COMPANY OPTIMISTIC

As an evidence of its faith in the Tri-Cities and the future of the community, the Martin Cigar Company, which operates a chain of cigar stores and luncheonettes in the Tri-Cities, has renewed long term leases on four of its cigar store properties and has plans completed for the remodeling and improving of these stores.

Stores on which leases have been renewed are as follows: Store 19, Davenport, and Store 20, Davenport, Ia., Store 16, Rock Island, and Store 10, Moline, Ill.

According to George H. Martin, president of the Martin Cigar Company, the firm has an extensive improvement campaign outlined. As fast as leases are renewed, the store properties will be remodeled and improved. Remodeling of the Moline store has already been completed. Extensive alterations will shortly be made in the No. 19 store in Davenport.

"The present industrial depression is but temporary. Its length of existence depends upon ourselves. Now is the time to get busy. The more quickly we enlarge and build up our resources, the quicker we will forget that there ever was such a thing as an industrial depression. That better times are ahead of us, we feel assured. We are proving our faith in the future by spending money on our stores," declared Mr. Martin.

IOWA GROCERS REFUSED CIGARETTE LICENSE

At the meeting of the Des Moines, Iowa, city council, held February 12th, the A. & P., Moe & Sjorren, and Akre's grocery stores were refused licenses to sell cigarettes. The above mentioned were the only grocery stores to apply for cigarette licenses.

The following types of business houses were specified as eligible to obtain cigarette licenses: Hotels, eating houses, cafes, lunch rooms, restaurants, billiard halls, bowling alleys, cigar stores and drug stores.

There is a tax of $75 a year for these licenses, and storekeepers who are now selling cigarettes, argued against the A. & P. being allowed to sell them on the grounds that the A. & P. were in a position to sell them much cheaper than anyone else, and would, therefore, take trade away from the local stores.

THE TREND OF SMOKING

MEASURED by the actual increase in the number produced, cigarette production, for domestic consumption in the United States last year, showed a very small increase, but compared with consumption of tobacco in all other forms, cigarettes had a successful year, according to the *Wall Street Journal.*

As against consumption of tobacco in all other forms, cigarettes have had a sensational growth since 1910.

Snuff is the only other type of tobacco manufacture which has shown any conspicuous betterment in relation to other types, and, in comparison with cigarettes, the relation is distinctly less favorable to snuff than it was in earlier years.

Rates of Consumption

Last year, for the first time in the history of the tobacco industry in the United States, a package of twenty cigarettes was consumed for every cigar smoked. On the basis of internal revenue department figures, 20.3 cigarettes were consumed last year for every cigar. In 1929 there were consumed 18.1 cigarettes per cigar, and in 1928 the figure was 16.4 for each cigar.

In 1930, 363.8 cigarettes were consumed for every pound of manufactured tobacco used, a year previous 352.4 cigarettes per pound of manufactured tobacco, and in the year before 308.3.

Cigarette Type Gains

Only in 1929 and 1930, however, did the actual poundage of tobacco consumed in cigarettes exceed that consumed in manufactured tobacco, which includes smoking, chewing, plug and twist tobacco.

Small cigarettes, which constitute virtually all of the cigarette production, are taxed by the government at $3 a thousand, if they contain no more than three pounds of tobacco a thousand.

These cigarettes, as a rule, contain somewhat under three pounds of tobacco a thousand, so that only in 1930 and 1929 could the 363.8 and 352.4 cigarettes, consumed respectively per pound of manufactured tobacco, have equaled or exceeded a pound.

And, Eleven Years Ago

In 1920 tobacco users in the United States consumed 5.8 cigarettes for every cigar smoked; they consumed 125.3 cigarettes for every pound of manufactured tobacco used, and they smoked 1380 cigarettes for every pound of snuff consumed.

In 1930 tobacco users smoked 20.3 cigarettes for every cigar used, so that, measured against cigar consumption, cigarette consumption was 3.5 times greater in 1930 than it was in 1920.

In 1930 tobacco users smoked 363.8 cigarettes for every pound of manufactured tobacco consumed, so that, measured against manufactured tobacco consumption, cigarette consumption was 2.9 times greater than in 1920.

Last year, 2982 cigarettes were smoked for every pound of snuff consumed. Using snuff as a yardstick, therefore, cigarette consumption in 1930 was only 2.16 times greater than in 1920.

Table of Percentages

The following table compares the number of cigarettes used for each cigar smoked in the United States, for each pound of manufactured tobacco, which includes smoking, chewing and plug tobacco, and for each pound of snuff:

"LUCKY STRIKES" INCREASE

THE American Tobacco Company reports sales of their leading brand of cigarettes in January increased 246,249,000 over January, 1930.

In the same month last year, sales of the same brand increased 698,210,000 over January, 1929.

In January this year production of cigarettes for domestic consumption by the entire industry declined 840,023,523 cigarettes from January, 1930.

	Cigars	*Manufactured tobacco*	*Snuff*
1930	20.3	363.8	2,982
1929	18.1	352.4	2,973
1928	16.4	308.3	2,583
1927	14.7	274.5	2,420
1926	13.5	240.4	2,347
1925	12.2	214.6	2,115
1924	10.6	189.8	1,821
1923	9.2	172.9	1,633
1922*	8.2	146.2	1,462
1921	7.7	147.8	1,501
1920	5.8	125.3	1,380
1915	2.7	43.7	563
1910	1.2	20.7	274
1905	0.54	10.66	154
1900	0.58	11.34	235

*This and preceding periods or year ended June 30.

Comparison of Types

The number of cigars smoked per pound of manufactured tobacco and pound of snuff used, and the number of pounds of manufactured tobacco consumed per pound of snuff, are compared in the following table:

	Cigars to mfd. tobacco	*Snuff*	*Mfd. tobacco to snuff*
1930	17.9	146	8.1
1929	19.3	163	8.4
1928	18.7	158	8.4
1927	18.5	163	8.8
1926	17.7	172	9.7
1925	17.4	171	9.8
1924	17.8	170	9.5
1923	18.7	177	9.4
1922*	17.6	176	10.0
1921	19.0	193	10.1
1920	21.4	235	11.0
1915	16.0	206	12.8
1910	16.3	216	13.2
1905	19.6	285	14.5
1900	19.3	403	20.7

*This and preceding periods or year ended June 30.

Ratio Unchanged

From the above table it is apparent that consumption of manufactured tobacco and cigars, in relation to each other, has remained on relatively the same level since 1900; in comparison with snuff; however, consumption of both forms has shown substantial declines.

Approximately one-third as many cigars were consumed in 1930 for each pound of snuff as were smoked in 1900, and less than half as many pounds of manufactured tobacco were consumed in 1930 per pound of snuff as were consumed in 1900.

GROW LESS BUT BETTER TOBACCO

IN LINE with the many recent suggestions that what the cigar industry needs to return it to its old-time prestige with the smoking public, J. M. Purdon, assistant agricultural and industrial agent for the Atlantic Coast Line Railroad, has written the following article voicing the same sentiments as applicable to the growers of cigarette tobacco:

"Looking through some old files of *The Southern Tobacco Journal,* edited by Colonel Gerald E. Webb, who has been identified with the tobacco industry as long as any one with whom I am acquainted, and who is well and favorably known throughout the bright belt, I ran across an interesting article on his editorial page in issue of November 14, 1929. It will be recalled that 1929 was a reasonably good year for our Georgia farmers, but farmers in North and South Carolina did not fare so well. In fact, when the tobacco markets in those States opened that year a series of so-called indignation meetings was held to protest against the low prices at which tobacco was selling.

"We in the new bright belt did not take warning and in 1930 produced the largest crop of tobacco we have ever grown, and shortly after our markets opened we were holding similar meetings protesting against the low prices being paid for our tobacco. At the present time meetings are being held throughout southern Georgia with a view of forming a Georgia Tobacco Growers Marketing Association. These meetings are a logical outgrowth of unsatisfactory prices received for tobacco last year. Just what will be the outcome of the movement to organize Georgia growers no one knows at the present time, but regardless of the outcome I am convinced that no system of marketing can sell any commodity at high prices if there is more of that commodity to be sold than is needed.

"The article in *The Southern Tobacco Journal* was quoted by Colonel Webb from the *Winston-Salem Journal,* and was written by Mr. Upton G. Wilson with reference to the indignation meetings that North Carolina farmers were holding in the fall of 1929. I am convinced that had our farmers, and in some cases bankers and warehousemen in the new bright belt, given more serious consideration to the matter of overproduction when planting the tobacco crop of 1930 it would not have been so disastrous. I think Mr. Wilson's article is just as pertinent now as it was at the time it was written, and I am reproducing it just as he wrote it in the *Winston-Salem Journal.*

" 'Formal resolutions calling for an investigation of the practices of the big tobacco companies, especially their practices in dealing with growers, have been drawn up by Guilford County tobacco growers and forwarded to Senator Simmons with request for action. Just what the Senator will do in regard to the matter is not known to this writer.

" 'An investigation such as requested might or might not be beneficial to farmers. Its results, it is believed here, however, would only be temporary. The tobacco growing industry needs more than an investigation of the practices of the buying companies. It also needs an investigation of the practices of tobacco growers, for it is the practices of the latter and not the former that have put the growers in their present unenviable condition.

" 'Much greed is manifested by manufacturers, it is true, but their greed is more than matched by that of many growers. If farmers didn't compete so strenuously with themselves there would be more cause for

(Continued on Page 18)

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

BUSINESS OPPORTUNITIES.

CONFECTIONERY AND CIGAR BUSINESS FOR SALE—Montgomery County, Pennsylvania. Rent $250. Yearly business $45,263.54. Net profit 13 per cent. Full information upon request. Address Box 551, care of "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN. AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

HEAVY TOBACCO TAX SUGGESTED IN ARIZONA

In a bill recently introduced by Joseph H. Lines, in the Arizona Legislature, the most radical tobacco tax ever suggested anywhere is suggested. This is what has come to be known as the "Biennial tobacco tax bill" and if it ever goes through and is signed by the Governor, a lot of new money will go up in smoke in that State.

Lines' bill provides for the regulation of the sale of tobacco, snuff and cigarettes and a license tax thereon. It also seeks to increase the taxes of tobacco sellers.

Cigarette smokers, unless they walked the widely advertised mile to buy a pack of fags from a tobacco bootlegger, would pay a tax of four cents on each package of twenty cigarettes.

Cigar smokers, plug chewers and snuff users would pay a tax of 10 per cent. Stamps would be affixed to all purchases showing the amount of tax paid. Failure to affix stamps would make the seller liable to a charge of misdemeanor, and upon conviction he would be punished by a fine of not less than $25, not more than $100, or by imprisonment not less than fifteen nor more than thirty days, or by both fine and imprisonment.

Another clause reads: "Persons having in their possession tobacco, or tobacco products, to which tax stamps have not been affixed" would be subject to similar punishment.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

B—n'—G:—45,854. For cigars. February 12, 1931. Wertheimer Bros., Inc., Baltimore, Md.

B. N' G.:—45,855. For cigars. February 12, 1931. Wertheimer Bros., Inc., Baltimore, Md.

SCHAFER'S BIG SHOT:—45,856. For all tobacco products. February 16, 1931. Petre Litho. Co., Philadelphia, Pa.

NATIONAL CIGAR STANDS:—45,853. For cigars. February 10, 1931. National Cigar Stands Co., New York, N. Y.

DUNROVIN:—45,850. For cigars, cigarettes, tobacco and smokers' articles. January 26, 1931. Daniel Frank Co., Boston, Mass.

TRANSFERS.

LA GOYESCA:—39,375 (United Registration Bureau). For cigars, cigarettes and tobacco. Registered October 5, 1915, by Moehle Litho. Co., Brooklyn, N. Y. Through mesne transfers acquired by Tampa Cigar Co., Tampa, Fla., and re-transferred by Manuel Membiela, President, and Damaso Pelaez, Treasurer, to Antonio Suarez, Tampa, Fla., December 31, 1930.

HAMPTON COURT:—33,214 (Trade-Mark Record). For all forms of manufactured tobacco. Registered January 10, 1908, by J. S. Anargyros, New York, N. Y. Transferred to Webster-Eisenlohr, Inc., and re-transferred to D. Emil Klein Co., Inc., New York, N. Y., January 28, 1931.

GROW LESS BUT BETTER TOBACCO

(Continued from Page 17)

manufacturers to compete with each other in the purchase of the farmers' tobacco. Farmers persist in putting themselves at the mercy of the manufacturers and then complain at the quality of this mercy.

" 'Intentionally or unintentionally, manufacturers in late years have done all in their power, it appears, to discourage growers from producing so much leaf. They have kept the price at the bare cost of production, sometimes lower, but farmers, perversely enough, have failed to take the hint. They continue to produce in quantity and manufacturers continue to reap the benefits. Hence, one thing that needs to be investigated is the failure of farmers to observe even the most rudimentary caution. The soil tillers, it seems, don't believe in signs at all.

" 'But this is only one of the things that need investigation. The practice of farmers in putting all their dependence in tobacco also needs attention. If an investigation of this kind is made it will probably be found that some landlords are every bit as greedy as the manufacturers. They will be found encouraging their tenants to grow tobacco to the exclusion of all else, which practice can only end in ruin for all tobacco growers.

" 'The negro in the woodpile in the tobacco business is the farmer who persists in growing tobacco to the exclusion of food and feed crops. And he is the gentleman who deserves most censure, for he, not the manufacturers, is keeping farmers poor. He is the worst enemy agriculture has and he needs to be shown up in his true light.'

"GROW LESS TOBACCO—BUT MAKE IT GOOD."

WILL STUDY CAUSE OF FAILURES

Causes of business failures are to be extensively studied by the Department of Commerce, which has undertaken, in co-operation with the University of Chicago, a study of bankruptcies in all lines of business in that city over a period of about ten months.

Similar studies have been made or are now under way in a number of other cities, including Philadelphia, Boston, Newark, N. J., and Louisville, Ky., and the work has been extended to Chicago in order to secure information from a section of the country which was not touched by previous surveys.

Particular attention will be paid in the Chicago study to the credit practices of each bankrupt, as well as to his general commercial qualifications and business methods, and the bearing of inventory policy upon the outcome will be given careful attention in each instance. In addition there will be gathered much detailed information as to the bankrupt's business, such as the form of ownership of the concern, original capitalization, sources of capital and credit, nature of assets and liabilities, etc.

LINZ.

INDUSTRY OPPOSED TO EXTRA SESSION

Business and industrial organizations of the United States are almost unanimously opposed to an extra session of Congress, it is disclosed by responses received by the United States Chamber of Commerce to an inquiry recently sent out to its membership regarding their views on the suggestion that Congress be called in special session by President Hoover this summer.

Many hundreds of replies were received to the query, it was announced by the chamber, less than a score of which suggested that an extra session would be beneficial to business, while an even smaller number expressed the opinion that an extra session would make no difference one way or the other.

The general tenor of the responses is that if business is left alone during the coming summer it will have a better chance to recover than with Congress in session, resulting in agitation over many matters in which business is vitally interested. The general belief appears to be that even if Congress were to meet it would enact no legislation which would be helpful to the situation but, on the contrary, might pass bills of a distinctly hurtful nature.

LINZ.

ISLANDER DIES AT 105

Edward G. Thornton, believed to have been the oldest farmer in New Zealand, is dead at the age of 105.

Until a week before his death Thornton continued hard work such as chopping wood on his model farm at Waimate, Southern New Zealand. He recently took "a bit of a walk around the sheep," covering twenty miles. He smoked strong tobacco and drank whisky until the day before he died.

BOY THREE SMOKES CIGARS AND PIPE

Emanuel Dragonetti, not yet three years old, likes his smokes. His father, John Dragonetti, this afternoon, said the youngster started smoking cigarettes when he was 17 months old. He still smokes them, but has added a pipe and cigars.

The father says he has not discouraged his son from smoking because it has not interfered with his growth and development. The Dragonettis live at 444 Twenty-third Street. There is another child, Edith, a year older than Emanuel.

MARCH 15, 1931

VOLUME 51 No. 6

LIBRARY RECEIVED MAR 2 1931 U.S. Department of Agriculture

THE TOBACCO WORLD

MURIEL CIGAR

2 for 25¢ Size
Now 10¢
Made by Machine... 100% Clean
MADE BY P. LORILLARD CO.

LA PALINA
JAVA WRAPPED
THE SECRET OF THE BLEND
made good
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
CONGRESS CIGAR CO., Inc., PHILADELPHIA, PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

NINETEEN-THIRTY-ONE

Is the year to get a true perspective on your business.

It is the year to question your production methods and equipment, your distribution and sales methods and your packing.

Wooden Boxes preserve the original freshness and flavor of cigars, absorb the excess moisture, improve the aroma and allow the cigars to mellow as they should—in the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 6

Established 1881

TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary

Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.

Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, MARCH 15, 1931 — Foreign $3.50

NEW VICE-PRESIDENTS FOR CONSOLIDATED

JACOB A. VOICE, president of the Consolidated Lithographing Corporation, which corporation owns and controls the International Banding Machine Company, announced last week the election of Frederick J. Maudsley and Amand Wilson as vice-presidents of the corporation.

Messrs. Maudsley and Wilson are well-known to the trade, having, for many years, been associated with the American Lithographic Company before the acquisition of the Cigar Label and Cigar Band Division of it by the Consolidated Lithographing Corporation, and their many friends will be pleased to learn of their advancement.

LORILLARD BONUS PLAN HELD UP

At the meeting of stockholders of the P. Lorillard Company, Incorporated, held on March 10th, the eleven members of the Board of Directors were re-elected, but a vote on the proposed bonus plan was restrained by the Court of Chancery.

The bonus plan, James H. Scott, Jr., of Richmond, Va., claimed, would benefit officers and directors more than other employees. He made possible the meeting today by obtaining modification of the restraining order to permit the election, but transaction of no other business. Scott attempted election to the board, but was defeated.

The Chancery order directs officers and directors to show cause March 16 why they should not be permanently restrained from voting on the bonus.

By a later agreement between counsel, the hearing of the injunction restraining P. Lorillard Company from proceeding with a vote on changes in the bonus by-law and change in contract price on stock offered to officers and employees has been postponed to March 30th.

The agreement also provides that the adjourned annual meeting will be postponed two weeks further until May 5th, from April 21st, the date previously established by the Court.

CULLMAN AGAIN HEADS WEBSTER EISENLOHR

At the annual meeting of the directors of Webster Eisenlohr, Inc., held at 1618 North Broad Street, on March 10th, Joseph F. Cullman, Jr., was re-elected president of the corporation; John J. Rogers, vice-president; Emil Judell, vice-president; Ralph E. Folz, vice-president; R. C. Kerfoot, treasurer, and Jackson Kemper, secretary and assistant treasurer.

At the stockholders' meeting, which preceded the meeting of the board of directors, the following were elected members of the Board: Joseph F. Cullman, Jr., John J. Rogers, Ralph B. Evans, Arthur M. Wolff, R. C. Kerfoot, Emil Judell, and Ralph E. Folz.

THATCHER BILL PASSED AND SIGNED

THIS measure as originally passed by the House provided for the redemption of stamps used on tobacco products withdrawn from the market if claim therefor was presented within two years *from the dates of cancellation of the stamp.*

Thereafter, the bill was amended in the Senate by eliminating the limitation period and the cancellation of the stamps provision. This was, of course, a very satisfactory amendment, but the Treasury Department insisted upon fixing a limitation period, which would have necessitated either the cancellation of the stamps or some other method of identifying the stamps for the purpose of fixing such period of limitation.

The Tobacco Merchants' Association renewed its suggestion to the Treasury Department that the measure be amended so as to provide for the limitation period *from the issuance of the stamps* by the Government, to be indicated by identifying marks to be printed thereon by the Government, and also that the period of limitation be raised to four years instead of two years, as originally fixed in the bill, which suggestion was finally accepted by the Treasury Department with some slight modifications resulting in the substitution of a new amendment, making the essential part of the bill read as follows:

> "That internal-revenue stamps affixed to packages of tobacco, snuff, cigars, or cigarettes which, after removal from factory or custom house for consumption or sale, the manufacturer or importer withdraws from the market, may, under regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, be redeemed if issued after December 31, 1931, and if claim for their redemption is presented by the manufacturer or importer within three years after the year of issue as indicated by the number or symbol printed thereon by the Government, irrespective of the date of their purchase. Beginning with the year 1933, stamps of any issue shall not be sold until those of the previous year's issue have been disposed of or later than one year after the year of issue."

As thus amended, the measure has been passed and approved by the President.

It is to be noted that the new law as thus passed will not apply to stamps issued before December 31, 1931. This, of course, is regrettable, but it was felt that any serious controversy on that point would probably endanger the passage of the measure, which necessarily had to be rushed in the last few days of the session, and hence it was deemed wiser to forego the privilege of redeeming old stamps in order to secure the passage of the law for the future.

PHILADELPHIA.

BAYUK SALESMEN PRODUCING RESULTS

AT Bayuk headquarters, Ninth Street and Columbia Avenue, we learn that A. C. Roy, territorial manager for the New England States, dropped in for a visit last week and discussed plans for a spring campaign on Bayuk products in his territory, which will unquestionably increase the sales in his territory.

B. W. Burnside is doing some special work for B. Costello, distributor of Bayuk "It's Ripe Tobacco" cigars in Providence, R. I., with good results.

R. M. Rink is assisting the Indianapolis branch of Bayuk Cigars, Inc., in some specialty sales work in that territory, and reporting increased sales.

A group of men from the Philadelphia Gas Works Company made a very interesting trip through the Bayuk modern plant at Ninth Street and Columbia Avenue, last week, and learned some interesting facts about the modern manufacture of cigars.

J. O. Davis, secretary of the company, is recovering from a severe head cold, which caused him considerable pain and annoyance.

"OPTIMO" FORGING AHEAD

Yahn & McDonnell, distributors of "Optimo" cigars, and other high-grade brands, report a fine increase on "Optimo" cigars during the past several weeks, so much so that their orders for regular weekly shipments have had to be materially increased, and in addition they have had to call for additional express shipments in order to meet the demand.

During the past two weeks they have been displaying "Medalist" trims in several of their retail stands with good results.

MISS SNYDER WEDS MR. WALKER

Miss Helen Snyder, formerly connected with the M. J. Dalton cigar stand in the Fidelity Building, 123 South Broad Street, has resigned her position and was married on February 25th to Mr. Walker, of Baltimore.

Miss Snyder has a host of friends who wish her a most happy married life.

After a short honeymoon, the happy pair will make their home in Baltimore.

PECK AGENCY HAS "MARLBORO" ACCOUNT

The Peck Advertising Agency, Inc., of New York City, has been appointed to direct the advertising of Philip Morris & Co., Ltd., on their "Marlboro" cigarette.

NEW "MONTICELLO" PACKING FOR WAGNER

AT headquarters of John Wagner & Sons, Dock Street distributors, they report the new octagonal packing of the "Monticello" cigar, which is a private brand, is meeting with tremendous success.

The new packing is an upright full cedar box, octagonal in shape, and the cigar retails at ten cents.

Ben Lumley, Carl Upmann representative, has just returned from a trip through Pennsylvania in the interest of the "Upmann" brand and reports a very satisfactory trip. Mr. Lumly made a trip to New York City last week.

The C. P. Emmot Company, retail stand in the Land Title Building, has been sold to Contole Brothers, who also operate the stand in the Witherspoon Building.

John Wagner & Sons report all brands which they distribute to be enjoying a very satisfactory demand.

"WHITE ASH" CIGAR FOR A. & H.

The A. & H. Trading Corporation, 1018 Filbert Street, have been appointed exclusive distributors for the well-known "White Ash" cigar, manufactured by H. E. Snyder & Company, Perkasie, Pa., for Philadelphia territory.

Albert Pearl, recently associated with the H. E. Snyder Company, has been in town the past week working with Tom Allely, of the A. & H. Trading Corporation, on the "White Ash" brand, under the supervision of H. Levy, sales manager of the Snyder Company, and a splendid distribution has been obtained on this brand.

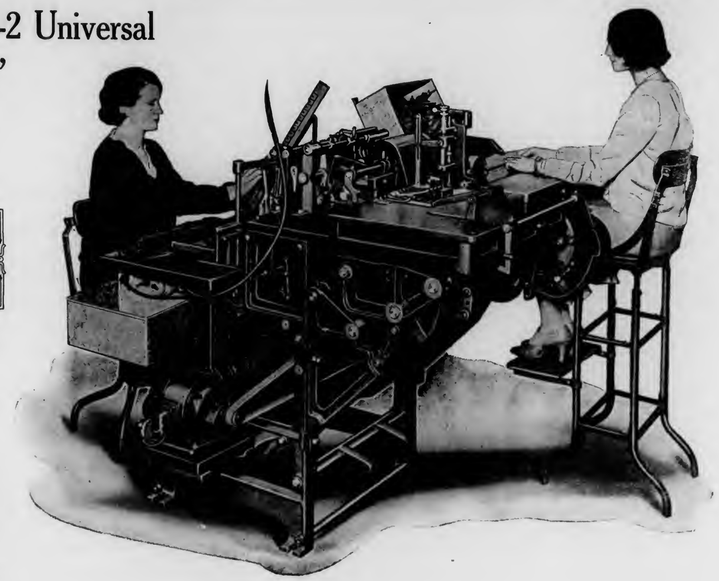
Mr. Pearl is well known in the trade throughout this territory, having been at one time connected with the Continental Tobacco Company, and later with the Union Tobacco Company, and the H. E. Snyder Company is fortunate in securing the services of a man who is so well known to the trade and who has had such wide experience in contacting the retailer and jobber.

The Snyder Company broadcasts a radio program every Monday evening over a Philadelphia station featuring the "White Ash" cigar.

Business with the A. & H. Trading Corporation has shown a very large increase during the past two weeks so that their storage rooms are packed to capacity in order to carry a sufficient stock on hand to meet their requirements.

The New Model S-2 Universal "Cross Feed Type" Long-Filler Bunch Machine

Large and small size filler can be readily worked together, and two or more different kinds of filler may be blended as the tobacco is being fed into the cross feed of the Machine.



WE list here a few of the important and highly efficient features of the Model S-2 Universal "Cross Feed Type" Long Filler Bunch Machine:

A—The filler is fed into the trough of the Cross Feed in a continuous stream and automatically cut to the proper length, insuring well filled out bunches throughout their entire length.

B—Automatic in its operation, it feeds, and cuts the filler to length, sizes the bunch and rolls the filler in the binder. The only hand operations are the laying of the binder on the rolling table and placing the filler in the feed trough.

C—The Suction Binder Equipment assures an increased yield of binders also smoother and more perfectly rolled bunches.

D—Produces well-conditioned, spongy, free-smoking bunches—the equal of hand work in every respect.

E—Good-conditioned bunches are assured by "laying up" the filler mechanically in exactly the same way as is done by hand; a few sprigs of filler being intermittently added until the bunch is built up to the proper size and condition.

F—Easily and quickly adjusted for any size or length of bunch or for right or left hand bunches.

G—Any shape or size bunch can be made on the same machine with slight mechanical changes.

H—Can be used on mold work or in conjunction with the Universal Model "R" and other Automatic Cigar Rolling Machines.

I—Quickly and accurately adjusted to different conditions of filler.

J—Assures uniformity of bunches at all times in both size and weight.

K—Sturdy and simple in construction—easy to operate and handle. Requires no expert mechanical attention.

THIS, our latest Long Filler Bunch Machine, the Model S-2 "Cross Feed Type", has been subjected to the severest practical factory tests in the making of high grade cigars in large and small Clear Havana factories, as well as factories where Domestic and Blended Filler are used, with the result that its performance has come up to the highest expectations, both as to quantity and quality of product.

The "Cross Feed" method of feeding eliminates faulty bunches, from the standpoint of weak heads, tucks or soft spots in the body of the bunch. It also eliminates the cutting up of fillers—no shorts are produced by the machine, that would ordinarily have to be worked up in the bunch. The filler is fed into the trough of the "Cross Feed" in a continuous stream, and automatically cut to the proper length. The filler is fed into the "Cross Feed" trough in a way that makes necessary the lapping of the leaves and thus the building up of the bunch in exactly the same manner as the hand worker does. Cigar manufacturers will readily realize the importance of this, where small size filler is used (second and third size Havana). This also holds true on all Havana and domestic fillers.

The price of the Model S-2 "Cross Feed Type" Universal Long Filler Bunch Machine, equipped with Two Posture Chairs, Individual Drive, ¼ H. P. Motor and complete Suction Equipment, is $2,325.00. F. O. B. our factory, Newark, N. J.

Rebuilding Model T "Blending Type" Universal Long Filler Bunch Machines into Model S-2 "Cross Feed Type" will cost $1,000. Doing the same with Model S "Standard Type" Universal Long Filler Bunch Machines will cost $750 F. O. B. our factory, Newark, N. J.

Convenient Time Payment Terms in United States and Canada.

UNIVERSAL TOBACCO MACHINE COMPANY, 40 East 34th Street, New York

CELLOPHANE WRAPPER COSTING $2,000,000

IN the use of the new moisture-proof cellophane wrapper on "Camel" cigarette packages just announced in a nation-wide newspaper advertising campaign R. J. Reynolds Tobacco Company, according to information given out today, is spending $2,000,000 in the first year in providing the improved wrapping.

Full page advertisements in practically every daily newspaper in the country and in thousands of weekly newspapers last week offered $50,000 in cash prizes for best answer to the question: "What significant change has recently been made in the wrapping of the Camel package containing twenty cigarettes and what are its advantages to the smoker?"

Laboratory tests, the announcement states, show that in the new moisture-proof cellophane packages "Camel" cigarettes retain their factory freshness for months, thereby giving "Camel" cigarette smokers in all parts of the world the same flavor and the same freshness enjoyed by "Camel" smokers in Winston-Salem where "Camels" are manufactured.

"One of the heretofore apparently insurmountable difficulties of the cigarette manufacturer," the statement said, "lay in the absence of any practical method for effectively maintaining the condition of cigarettes until they reached the market. No moisture proof material that was practically usable was on the market and no machine had been perfected to tightly seal such packages."

"Out of months of experimenting in the company's Research Department and also in cooperation with the Pittsburgh Testing Laboratory came proof that moisture-proof cellophane, invented by the du Pont Company, was the long looked for material. Then followed experiments with a view to developing a machine which would apply the moisture-proof cellophane with a seal as tight against moisture as cellophane itself. Eventually such a machine was perfected and the Reynolds plants equipped.

"Laboratory tests proved that the moisture loss of cigarettes wrapped in moisture-proof cellophane under the new tight seal is at a rate of only a fraction of the moisture loss in an unwrapped package or in a package wrapped with the glassine paper in ordinary use.

"Other tests showed that parched dry tobacco, due to evaporation or overheating, burns the throat and stings the tongue, and otherwise deprives the smoker of much of the comfort and pleasure to which he is entitled."

The Reynolds Company feels that moisture-proof Cellophane wrapping with tight seal with which every package of "Camel" cigarettes now goes to smokers will prove the greatest boon to smokers in a generation and is the most outstanding improvement developed by any manufacturer in the history of cigarettes.

WILSON RESIGNS FROM DEMUTH

George R. Wilson, vice-president and sales manager of William Demuth & Company, has resigned from that firm effective March 1st, and it is expected that he will become associated with another pipe manufacturing firm in the near future.

George St. John, Jr., vice-president and general manager of the Demuth firm, will assume the duties of sales manager.

AMERICAN TOBACCO NETS $43,345,370 FOR 1930

NET earnings of the American Tobacco Company for 1930, after providing for all expenses of management, depreciation and taxes, amounted to $43,345,370, according to the annual report which will be mailed to stockholders today. Taxes paid to the Federal Government alone were more than $150,000,000.

These earnings, the largest in the company's history, represent an increase of 43 per cent. over the net earnings of 1929 and amounted to $8.56 per share in 1930 as against $5.76 per share in 1929.

The increase in net earnings last year over the preceding year, was $13,116,165.

Dividends paid to stockholders on the common and common B stock established a new high record of $29,293,983. In addition, dividends of $3,161,982 were paid on the preferred stock.

With the notice of the annual meeting on April 1st there is being mailed to the stockholders a complete statement as to what has been done in carrying out the stockholders' authorization given at their special meeting of July 28, 1930 for the sale of common B stock to employees.

The American Tobacco Company Financial Statement

December 31, 1930.

ASSETS

Real Estate, Machinery, Fixtures, etc., at cost, less reserves for depreciation and obsolescence		$ 18,100,191.82
Leaf Tobacco, Manufactured Stock, Operating Supplies, etc., at cost		108,237,557.73
Stocks and Bonds		43,872,065.33
Cash		15,360,662.54
Collateral Call Loans		8,740,888.35
Bills Receivable		3,090,561.46
Accounts Receivable		14,758,040.53
Prepaid Insurance, etc.		322,249.41
Amounts owing to this Company by Affiliated Companies		10,674,708.06
Brands, Trade-marks, Patents, Good Will, etc.		54,099,430.40
Total Assets		$277,256,355.63

LIABILITIES

Capital Stock, issued and outstanding:		
Preferred (Authorized $54,010,600)	$ 52,699,700.00	
Common (Authorized $50,000,000)	40,242,400.00	
Common B (Authorized $100,000,000)	76,933,950.00	
6% Gold Bonds maturing October 1, 1944	187,100.00	
4% Gold Bonds maturing August 1, 1951, and remaining 4% Gold Bonds of Consolidated Tobacco Company not yet exchanged	877,250.00	
Scrip matured March 1, 1921, and not yet presented for redemption	4,791.00	
Dividend Certificates convertible into Common Stock B March 1, 1923, and not yet presented for conversion	4,883.00	
Provision for Dividend on Preferred Stock, for quarter ended Dec. 31, 1930, payable Jan. 2, 1931	$790,495.50	
Accrued Interest:		
Payable April 1, 1931, on 6% Bonds	2,806.50	
Payable Feb. 1, 1931, on 4% Bonds	14,620.83	
	807,922.83	
Accounts Payable	3,890,819.28	
Amounts owing by this Company to Affiliated Companies	444,915.49	
Provision for Advertising, Contingencies, Taxes, etc.	9,297,851.39	
Total Liabilities		$185,390,682.99
Surplus		$ 91,865,672.64

The above assets and liabilities include those of American Suppliers, Incorporated, a wholly owned leaf buying subsidiary.

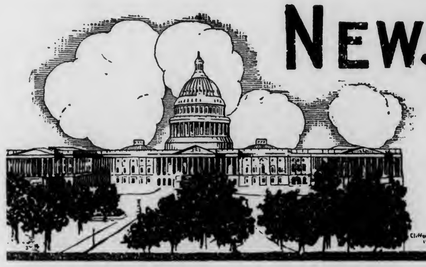
(Continued on Page 12)

SWING ALONG!

THERE'S a thrilling freshness in the smoke of a Camel—a delicately blended fragrance, sunny and mild—that's never even been approached by any other cigarette. Swing along with the modern crowd—to Camels and real smoke-enjoyment.

CAMELS

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

LEGISLATION providing for the refund of internal revenue stamps on tobacco, snuff, cigars and cigarettes which the manufacturer or importer withdraws from the market, was among the measures passed by Congress during the closing hours of the session.

The bill as it passed the House of Representatives, provided for refund for these stamps if the products on which they were used became unsalable and were withdrawn from the market and if claim therefor was presented within two years from the date of cancellation, irrespective of the date of purchase. The Senate, however, amended the measure by eliminating the limit on the time within which manufacturers or importers could recover their money for the stamps, and it was necessary to send the bill to conference. The conferees fixed the limit at three years instead of two years and also provided that refunds should be made only in the case of stamps issued after December 31, 1931.

In presenting claims, under the bill, the year of issue as indicated by the number or symbol printed on the stamp will control, and claims must be presented within three years after that date, irrespective of the date of purchase. The conferees further provided that, beginning with 1933, stamps shall not be sold until the previous year's issue has been disposed of or later than one year after the year of issue.

It was explained by Representative Thacher of Kentucky, author of the measure, that under existing law a manufacturer who withdraws his product from the market must loss the value of the stamps unless he exports the product and obtains a drawback of the tax paid. It is estimated that 94 per cent. of the drawback paid on tobacco manufactures during the fiscal year 1929, represented tobacco withdrawn and exported for the purpose of recovering the value of the stamps. It is estimated that claims presented under this bill will amount to about $450,000, based upon the current rate of tax collections, but will be nearly offset by increased receipts from the sale of stamps to manufacturers on goods that replace the products so removed from the market.

The legislation was suggested by the Treasury Department, for the purpose of making it clear that the four-year statute of limitation applicable to unused stamps contained in the Act of May 12, 1900, will not apply in the case of redemption of stamps on goods withdrawn from the market.

Raskob Would Take Tariff Out of Congress

Elimination of present inequalities of the tariff law and establishment of a bi-partisan tariff commission, the members of which would be appointed for life, which would so deal with tariff problems that the tariff as a whole would never again come before Congress, comprises the tariff policy of the Democratic party as outlined by John J. Raskob, chairman, at a meeting of the Democratic National Committee in Washington, March 5th.

Expansion of the powers of the Federal Trade Commission which would enable it to approve mergers which it found, after public hearings, not to be violative of the Sherman Anti-Trust Law in the matter of restraint of trade or control of prices, also was recommended.

"If legislation is enacted which will make it possible for men engaged in big business to promote mergers for the common good without being persecuted and prosecuted therefor, much can and will be done to reduce costs, thus increasing consumption," Mr. Raskob declared in this connection.

The Democratic leader's recommendations on the tariff were embodied in the Simmons-Norris amendment to the tariff bill last year, which would make tariff revision a piecemeal proposition by providing that any bill having for its object the carrying out of recommendations of the tariff commission shall not include any item not covered in the commission's report and no amendment may be considered which is not germane to the items included in such report.

"After the creation of such a commission," Mr. Raskob contended, "the tariff as a whole should never come before Congress again and consequently business would not be upset through wondering what might happen with each change of administration. Instead there would be continuous study of tariff problems by a commission of experts with whom business men could have intelligent discussions and as the commission finished its study of each schedule a report with recommendations would be submitted to the President and Congress for action. There would be no other schedule up for action at the time, so all opportunity for log-rolling and political trading would disappear and intelligent decisions on fair rates could be reached by Congress."

Closer relations between capital and labor and a weeding out of the "crooks" in industry without any attack upon industries as a whole because of the illegitimate activities of individual members were urged by the National Committee chairman. "Ill-found, miscellaneous attacks" upon business, he asserted, can only result in reversing the processes of prosperity by loss of confidence, collapse of credit and consequent depression and loss of employment. "There is no more reason for attacking and destroying confidence in any industry as a whole because of the crookedness of a few companies than there is of attacking our whole

(*Continued on page 13*)

SUNSHINE MELLOWS

Heat Purifies

LUCKIES are always kind to your throat

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED"—an extra, secret heating process. Harsh irritants present in all raw tobaccos are expelled by "TOASTING." These irritants are sold to others. They are not present in your LUCKY STRIKE. No wonder LUCKIES are always kind to your throat.

"It's toasted"

Your Throat Protection—against irritation—against cough

TUNEIN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

© 1931, The American Tobacco Co., Mfrs.

"CREMO" BAND ON COLUMBIA

ESTABLISHING all records for brevity of commercial announcements for sponsored programs, Arthur Pryor's "Cremo" Military Band will go on the air over a coast-to-coast Columbia hook-up six nights a week commencing Monday, March 16th, with only twenty words of "Cremo" cigar advertising at the beginning and end of each program.

"The lowest cost of admission on the air today"—meaning the twenty "Cremo" words—is how the sponsors bill their fifteen-minute concert, 8 to 8.15 P. M. (E. S. T.) every night but Sunday, with a repetition for the benefit of midwestern and Pacific Coast audiences from 11.15 to 11.30 P. M. (E. S. H.). This slight advertising framework, with the famous Pryor baton filling in the musical picture, is expected to provide ample radio publicity against spit-tipping and for a good five-cent cigar.

The cost of the commercial announcement is figured at $133 a word.

Thirty-two pieces, blaring marches of the past and present, will go into action under Pryor, echoing lustily the belief of George W. Hill, president of the American Cigar Company, that stirring martial airs are closest to the hearts of the American people, just as the "Lucky Strike" Dance Orchestra, under the direction of B. A. Rolfe, reflects in its music Mr. Hill's belief in plain and simple dance tunes, played without frills or furbelows.

The players will be the pick of the musicians who have played under Arthur Pryor, and have helped him serenade his way to acclaim all over the country. The leader's brother, Walter Pryor, is in New York from St. Joseph, Mo., to play a cornet in the band, and another brother, Samuel, Jr., came from Kansas to bang the drums.

Arthur Pryor himself, of course, has been doing things with a trombone-slide or a baton since he joined John Philip Sousa's band at eighteen as a soloist. Before he had been long with Sousa, he was assistant conductor, and in that capacity toured Europe eight times, playing before the crowned heads of many nations.

In 1904 Pryor formed his own band, made a hit at the Majestic Theatre in New York, and soon made himself welcome in all the large cities. Between-whiles he wrote marches, among them "Heart of America," "Soldiers of Fortune," "Boston Tea Party" and "On the Jersey Shore."

Stations that will broadcast the "Cremo" programs from 8 to 8.15 P. M. (E. S. T.) every evening but Sunday are WABC, New York; WCAU, Philadelphia; WDRC, Hartford; WQAM, Miami; WDBO, Orlando; WTOC, Savannah; WPG, Atlantic City; WWNC, Ashville; WLBZ, Bangor; WBT, Charlotte; WTAR, Norfolk; WDBJ, Roanoke, and WORC, Worcester.

Broadcasting the same program for the midwest and Pacific Coast at 11.15 to 11.30 P. M. will be WADC, Akron; WKBW, Buffalo; WKRC, Cincinnati; WHK, Cleveland; WLBW, Oil City; KOIL, Omaha; WFBL, Syracuse; WSPD, Toledo; KOIN, Portland; KOL, Seattle; KFPY, Spokane; WGST, Atlanta; WBCM, Bay City; WBRC, Birmingham; WRR, Dallas; KLZ, Denver; WHP, Harrisburg; KTRH, Houston; KLRA, Little Rock; WCCO, Minneapolis; WISN, Milwaukee; WREC, Memphis; WLAC, Nashville; WDSU, New Orleans; KFJF, Oklahoma City; KSCJ, Sioux City; KDYL, Salt Lake City; WIBW, Topeka; WMT, Waterloo; WKBN, Youngstown; WOWO, Fort Wayne; KHJ, Los Angeles; KFRC, San Francisco; KFBK, Sacramento; KMJ, Fresno; WFBM, Indianapolis; WCAH, Columbus; WHEC, Rochester; KTSA, San Antonio; KFH, Wichita; WNAX, Yankton; KOH, Reno; WTAC, Eau Claire; WLAP, Louisville; WACO, Waco; and WOKO, Albany.

More stations will be added to each hook-up in the near future.

TOAD FIGHTS PORTO RICAN PESTS

THE current crop of Porto Rican tobacco is suffering very little damage from insect pests, because of the effective work by the army of large toads, which is warring on such as the "Changa," according to Dr. N. L. Britton, well-known agricultural expert, who has been spending the winter in Porto Rico. It is estimated that about 50 per cent. less Paris green has been used to protect the current crop than was used for the previous one, because of the energetic activities of this new ally of the Porto Rican farmer.

These toads (Bufo Marinus L) were introduced in Porto Rico several years ago by the Insular and Federal Agricultural Experiment Stations at Mayaguez, and since their arrival from the north coast of South America, their natural habitat, they have multiplied rapidly.

Dr. Britton further states that he has received corroborative evidence of the efficacy of this insectivorous amphibian, from officials of the Department of Biology of the University of Porto Rico, who have been studying its habits, and from one of the more important tobacco planters of the Island, who has been able to economize on his application of insecticides.

Customs statistics show that importations of agricultural insecticides in 1930 increased very slightly over those for 1929, notwithstanding the heavy increase in fruit and vegetable plantings during the recent year. Thus far, the insect devouring immigrant has proved a decided success, and it is hoped that Porto Rican tobacco planters will gradually be able to decrease still further their purchases of imported insecticides.

STOCKHOLDERS TO INSPECT A. T. COMPANY BOOKS

Permission to inspect the books of the American Tobacco Company on behalf of himself and other stockholders was granted to Richard Reid Rogers on Thursday by Supreme Court Justice Townley, of New York.

Rogers charged in his court application that by a stock split-up last year the officers and directors of the company arranged to give themselves a $30,000,000 bonus for their work in building up the business.

CIGARS GIVEN JOBLESS WITH BREAKFAST

A five-cent cigar was added last week to the menu of the breakfast served at the Oyster Loaf Cafe, El Paso, Texas, to those out of work, and the price was still a dime.

Several months ago Carlos started serving ten-cent breakfasts each Tuesday. He served two fried eggs, a slice of fried ham, fried potatoes and a roll.

"Here's pipe tobacco that **is** *pipe tobacco!"*

SOMETHING all pipe smokers should know: tobacco must be *cut* right to *burn* right. That's why Granger is "Rough Cut"—in big shaggy flakes that are slower-burning, longer-lasting . . . *cooler-smoking!* It's the one right way to cut tobacco for pipes.

And what's more: Granger owes its "pipey" fragrance to our sixty-year-old tobacco secret, Wellman's Method. A richer, cooler smoke — and a drier, sweeter pipe. No wonder it's *"in more pipes every day"!*

GRANGER ROUGH CUT

LIGGETT & MYERS TOBACCO CO.

AMERICAN TOBACCO EARNINGS

(*Continued from page 6*)

In a letter to the stockholders accompanying the annual report, George W. Hill, president, says:

"You will be interested to compare these earnings of $43,345,370 with the earnings of the Company in 1911, eleven months of which passed before the numerous subsidiaries (now manufacturing the most important competitive brands) were separated from the parent Company in accordance with the mandate of the Supreme Court of the United States. In that year the earnings of the Company for its preferred and common stock, including eleven months' earnings from the properties separated by the Supreme Court, were $30,633.314.

"In 1912, the first year after the dissolution, our net earnings available for dividends were $15,443,961, this figure dwindling by 1915 to $11,234,581.

"The history of the tobacco business during the past generation shows a constantly growing tendency toward cigarettes. The recognition of this fact has been a broad decisive policy in the success of the present administration of your Company."

It is pointed out that in 1926, the year Mr. Hill became president, the company produced only 20.14 per cent. of all the cigarettes made in the United States. During the last five years, notwithstanding unusually active competition, the company's percentage of the total cigarette business in the United States has steadily increased to 38.10 per cent. of the total in 1930.

Actual sales of "Lucky Strike" cigarettes, the company's principal brand, increased 6,219,000,000 in 1930 as compared with 1929. This was a greater increase by more than 5,500,000,000 cigarettes than all the cigarettes produced in the United States combined.

CULLMAN HEADS SPECIAL STATE COMMITTEE

Last week, Governor Roosevelt, of New York State, announced the appointment of Howard S. Cullman of Cullman Brothers, leaf tobacco dealers, as chairman of the special committee which will make a study of medical and hospital problems in connection with workmen's compensation.

Other members of the committee are: Marshall Field, Vincent Astor, Dr. S. S. Goldwater, Dr. Adrien Lambert, Dr. James Alexander, James Speyer, the Industrial Commissioner, the State Superintendent of Insurance, and the President of the Department of Social Welfare.

Mr. Cullman has for several years been active in movements to improve the medical service given to injured workers.

ANDRUSS ON TRIP

Willis Andruss, sales manager for the Congress Cigar Company, left last week on a trip through the Middle West as far as Kansas City, where he will visit the distributors of "La Palina" cigars. He expects to be away about five weeks.

The recently released Super Pal size, under the "La Palina" label, retailing at six cents each, is reported to be meeting with a great reception by the smokers who appreciate a quality smoke at a moderate price, and a splendid volume of business is being enjoyed on this newcomer in the field.

"PALL MALL" DRIVE IN PHILADELPHIA

THE telegraphic advertising campaign recently launched in New York City by the American Cigar Company on their "Pall Mall" cigar was also launched in Philadelphia and Atlantic City last week, with highly gratfiying results.

John Wagner & Sons, "Pall Mall" distributors for this territory, report that approximately three thousand night letters were dispatched to cigar smokers in the two cities, and present indications are that the drive will produce one hundred per cent. results here, while sixty per cent. has been considered good in other cities.

The telegram, sent by Western Union, and signed by George W. Hill, president of the American Cigar Company, reads as follows:

"Unusual times demand unusual sales methods. That fact and my confidence they will please you justifies this telegram suggesting you try our "Pall Mall" cigar—four sizes, uniform quality and shape. Present this message to ———— Building cigar stand for sample box of twelve costing one dollar, approximately half of retail price."

The sample box contained twelve cigars (three of each of the four sizes) ranging in price from two for twenty-five cents to twenty cents each, with a total value of $1.95 and was sold to the recipient of the telegrams for one dollar.

I. B. White, manager of the cigar department of John Wagner & Sons, reports that the telegrams produced a response from the smokers far beyond expectations, and it was necessary to wire to New York City for a rush additional shipment to meet the tremendous demand. Mr. White also reports that several new accounts have been opened on this brand already.

PHILIPPINES MAY PRODUCE OWN WRAPPER

The Tobacco Board of the Philippine Islands has agreed to begin experimental work in cigar wrapper production. The Board is also giving consideration to the feasibility of growing tobacco similar to that in imported American cigarettes and a member of the board has presented a sample of tobacco leaf grown in Ilagan, Isabela, with a Virginia blend. The board sees no reason why wrappers cannot be grown to take the place of Sumatra and other foreign wrappers since the climatic conditions in the islands are said to be ideal for tobacco culture.

A campaign plan of advertising Philippine tobacco and cigarettes has been discussed and it is contemplated to make it in the United States and foreign countries. The campaign will be supported by the Philippine Government with money from tobacco taxes accruing under certain sections of the Internal Revenue Law. Only cigars of the better quality will be advertised. Full cooperation of tobacco manufacturers in the islands is expected. (Trade Commissioner, C. P. Harper.)

"PARLIAMENT" CIGARETTE IN PHILADELPHIA

The "Parliament" cigarette, recently introduced brand of Benson & Hedges, well-known manufacturers of high-grade cigarettes, has made its appearance on the Philadelphia market, and is meeting with considerable demand.

The new brand is a blended cigarette packed in an attractive box holding twenty cigarettes to retail at twenty-five cents, and M. J. Dalton Company report this newcomer enjoying a good demand and many repeat sales have been made.

News from Congress

(*Continued from page 8*)

banking system because of the crookedness of a few banking officials," he declared.

Congress Approves Record Expenditures

Comparatively little legislation of importance remained unacted upon when Congress adjourned at noon on March 4. Practically all of the major measures with which the session had been called upon to deal were disposed of and, with few exceptions, only minor matters remained when Senator Thomas of Oklahoma, irked at the failure of the independent oil producers to secure relief, embarked upon the one-man filibuster which effectually prevented any legislative action during the last hours of the Congress.

The Seventy-first Congress shattered all peacetime records for spending with appropriations aggregating approximately $10,249,819,215. This total includes annual items such as amounts for the sinking fund, interest on the public debt and the United States Life Insurance fund.

Annual appropriations for the Congress totaled $8,195,577,192, the first session appropriating $4,224,439,934 and the second session $3,964,136,000. Added to this total were the permanent and indefinite allotments of $1,417,022,855 for 1931 and $1,213,970,669 for 1932, thus making the grand total above $10,000,000,000.

In setting the peace-time spending record, the Congress just ended appropriated about one-fourth as much money as the war-time appropriations of the Sixty-fifth and Sixty-sixth Congresses. In two sessions the war-time Congress appropriated approximately $43,000,000,000.

The economic situation held the attention of the Congress from the beginning of the present session and led to the enactment of drouth relief legislation and the passage of bills providing for the expenditures of huge sums of money in a building and road construction program for the aid of the unemployed. Supplementing this, Congress enacted employment bills sponsored by Senator Robert F. Wagner of New York.

President Hoover had recommended to Congress that it institute an inquiry into some aspects of the economic working of the antitrust laws. He said he did not favor repeal; the prevention of monopolies, in his opinion, is of most vital public importance.

Congress practically ignored this recommendation, and it may be that some means may be found within the Federal Trade Commission during the summer whereby to work out a solution of the present controversy between industry and that branch of the Government over the extent to which approval may be given to trade practice rules for the government of industry.

The study of the capital gains tax, recommended by the President also will be held in abeyance until Congress reconvenes next December.

The Capper-Kelly Resale Price Maintenance Bill, "operated" upon in the House of Representatives and passed by that body in a form declared unsatisfactory to anybody, failed of consideration of the Senate.

Solicitor General Blames Bankruptcy Losses on Lax Credit System

Calling attention to the Department of Justice investigation of the bankruptcy laws directed by President Hoover, Solicitor General Thomas D. Thacher last month pointed to the huge losses due to the meager assets of bankrupts.

Considerable responsibility was placed on creditors for their losses. Loose and careless credit methods and a desire to expand sales at any cost has led to heavy bankruptcy losses, according to Mr. Thacher.

"There is evidence also that at least some installment sellers of luxuries stimulate persons to buy beyond their means, and collect ahead of other creditors because of superior collection methods, so that when the buyers end in bankruptcy they owe debts for the necessities of life and have nothing on hand except heavily mortgaged luxuries," the Solicitor General asserted.

"These are conditions with which the business community must deal, and which cannot be corrected by the law alone. But unquestionably the bankruptcy act can and should be made more serviceable to the business community, and more in keeping with modern conditions of business under which creditors must frequently lend to debtors whom they cannot personally know and who reside at great distances.

"The law at least should see to it that no man is given more than his just deserts, and that recklessness, extravagance and fraud are discouraged instead of facilitated by its provisions."

There has been an alarming increase in the number of wage earners in bankruptcy. Thacher said that during the last fiscal year one-half of the total bankrupts were wage earners in most cases without assets. The losses principally fall on retailers.

Little difficulty is experienced in obtaining a discharge from bankruptcy, according to Thacher. If the bankrupt has been technically honest, nothing else matters, the Solicitor General said.

"It seems to be universally taken for granted that all a man needs to do in order to be relieved from his debts is to file a bankruptcy petition," Thacher said.

Government Expenditures Increase

Eight months of the Government's 1931 fiscal year, ended February 28, were marked by substantially increased expenditures and decreased receipts, according to figures available at the Treasury Department.

For this period receipts were $2,098,426,000, a reduction of $268,894,000 from the same months the year before, and ordinary expenditures totaled $2,312,009,000, a gain of $144,000,000. There was a total expenditure of $2,406,304,000, a reduction of $163,000,000 from last year. However, that decrease was due to the fact that sinking fund operations so far during the 1931 fiscal year have amounted to $65,000,000 compared with $291,514,950 last year.

For the rest of the fiscal year conditions are unfavorable also. In the first eight months income taxes were not reduced by the business depression, owing to the fact that the bulk of the payment was being made on record high income of 1929. However, beginning this month payments coming in will reflect the lower earnings of 1930 and not much over $400,000,000 is anticipated this month, a reduction of more than $100,000,000 from last March.

Income tax returns will be due in the hands of collectors of Internal Revenue by midnight Monday, March 16. The due date of the return being on Sunday, the taxpayers get an extra day.

Considering the difference in public debt operations during the past eight months, the Government is approximately $331,000,000 behind this time last year.

(*Continued on Page 17*)

$1,000,000 BONUS FOR G .W. HILL

GEORGE W. HILL, president of the American Tobacco Company, has joined the ranks of the country's "million-dollar-a-year executives" along with Eugene G. Grace, of the Bethlehem Steel Corporation, it was revealed in the company's "Employees' Stock Subscription Plan for 1931," issued yesterday.

The report indicates that Mr. Hill received stock value, in addition to cash remuneration for 1930—a year in which the company established a new all-time record in profits—of approximately $1,200,000. The amount of cash paid to Mr. Hill as president during the year was not revealed.

Of 56,712 shares of American Tobacco common B stock, of a total of 312,000 authorized, which were issued to officers and employees of the company under the plan at $25 a share as a result of the record earnings in 1930, Mr. Hill received 13,440 shares, the report on the plan disclosed. Of the remaining 43,272 shares issued, vice-presidents of the company received 16,685 shares. The balance was distributed to 529 other officers and employees.

As American Tobacco B is selling currently around $120 a share, the indicated value of the stock allotted to Mr. Hill, over and above the subscription price of $25 a share, would be $1,276,800, which would be construed as a bonus for his services during the period.

Mr. Grace, as president of Bethlehem Steel, received a cash bonus of between $800,000 and $900,000 in 1930, but in the previous year his cash bonus, exclusive of his $12,000 annual salary, was more than $1,600,000.

The 16,685 shares allotted to the vice-presidents of American Tobacco, also at $25 a share, have a current market valuation in excess of the subscripton price of slightly less than $1,600,000.

The excess of market value over the total subscription payments for the 56,712 shares issued, would be in the vicinity of $6,400,000.

The large indicated compensation to Mr. Hill for his services as president of American Tobacco Company for 1930 would be based on the progress of the company since he assumed its direction in 1926. In that year the company produced 20.14 per cent. of the total of cigarettes produced in the United States. This percentage rose to 22.14 per cent. in 1927, 29.59 per cent. in 1928, 34.16 per cent. in 1929 and 38.10 per cent. last year.

In the same period there was a corresponding sharp increase in both the net profits and dividends paid to stockholders. In 1926 net earnings after all charges, management expenses, depreciation, taxes, etc., totalled $22,549,049; in 1927, $23,309,689; in 1928, $25,066,299; in 1929, $30,231,348, and in 1930—a year of depression in most industries—American Tobacco reported the record net profit of $43,345,370.

Dividend payments by the company aggregated $15,622,486 in 1926 and were the same in the following year. In 1928 they were $15,623,172, in 1929 rose to $21,091,536 and in 1930 made a record of $29,293,983.

On February 20th Richard Reid Rogers, an attorney, suing as a stockholder, applied for a writ of mandamus to Justice Townley of the Supreme Court, directing the American Tobacco Company to permit an inspection of its books. Mr. Rogers complained that under the employees' stock subscription plan devised by directors and officers of the company the latter would profit to the extent of five-sixths of $30,000,000 in the form of the stock bonus.

BATT BROTHERS NEW RUSSIAN CIGARETTE

BATT BROTHERS, New York City cigarette manufacturers of high grade cigarettes, placed on the market last week a new cigarette known as "Petroff" (Russian cigarettes), and described by them as their latest supreme achievement of perfection in cigarette making art—another sure sales producer—totally different and distinctive—and placed on the market in every principal city throughout the country.

"Petroff" cigarettes are made of the finest selected imported tobaccos, skillfully prepared with the tubular mouthpiece filled with cotton to soothe and cool the taste of the most fastidious and discriminating smokers. The package is attractively designed in a multi-color tone, and sells at twenty-five cents for a box of ten cigarettes, and is also packed in attractive cedar boxes of 100's to retail at $2.50 a box.

Batt Brothers are continually forging ahead in the cigarette industry and have become one of the leading and outstanding manufacturers of monogramed and novelty cigarettes, particularly because of their initiative in continually creating novelty cigarettes of exceptional quality for the purveyor and consumer, and their keen foresight for originality and distinctiveness.

MUTUAL PROFIT SHARING TO QUIT

Last week it was announced that the Mutual Profit Sharing Corporation, which formerly supplied the Schulte Cigar Stores with their profit sharing coupons, would cease the redemption of these coupons on March 31st.

The Mutual Profit Sharing Corporation at one time supplied many hundreds of stores with coupons for redemption, but when the chain stores discontinued the giving of profit sharing coupons with each purchase more than a year ago, the practice has gradually been discontinued in other stores as well, with the result that the company is about to cease business.

The announcement caused many persons to round up their old coupons for redemption during the past week.

HOLT FEATURING "FONSECAS"

The Holt Cigar Stores, specializing in job lots at extreme cut prices, has been featuring the "Fonseca" cigar in the cocktail shaker packing, to retail at $2 a package containing twenty-five cigars, or over the counter at three cigars for a quarter.

This special offer has met with a tremendous demand.

George Moore, who is in charge of the Holt store at Fourth and Chestnut Streets, reports a splendid increase in sales this year, so far, over the same period of last year.

Stockholders of American Tobacco Company have approved the plan which was the subject of Mr. Rogers's application. At the hearing before Justice Townley, George W. Whiteside, of counsel for the company, stated that Mr. Rogers was the only stockholder who objected to the plan. The proposal, he stated, was similar to that adopted by other large corporations, and that in setting aside 312,968 shares for sale to directors, officers and employees at $25 a share when the stock was selling substantially above that figure, the company was merely rewarding its workers for making possible the greatly increased profits.

BAYUK ASSETS OVER 15 MILLIONS

CONSOLIDATED statement of Bayuk Cigars, Inc., as of December 31, 1930, shows total assets of $15,075,412 comparing with $15,978,205 at close of 1929, and surplus of $5,114,553 against $5,162,014. Current assets amounted to $10,086,361 and current liabilities $2,853,004 comparing with $11,008,763 and $3,473,667, respectively on December 31, 1929.

Consolidated balance sheet of Bayuk Cigars, Inc., as of December 31, 1930, compares as follows:

	1930	1929
Assets		
*Prop. acct. etc.	$2,664,627	$2,667,498
Investments	1,732,081	1,783,068
Cash	826,377	783,183
Inventories	7,171,658	8,225,885
Accts. rec.	1,512,535	1,962,685
Adv. duty Sumatra Tob.	553,462	.....
Other assets	175,872	190,973
Treas. stock	350,748	271,456
Def. chgs.	88,052	93,457
Total	$15,075,412	$15,978,205
Liabilities		
1st pfd. stk.	$3,888,200	$4,126,800
2d pfd. stk.	.....	.....
Common stk.	†3,015,336	†3,015,336
Com. scrip.	.....	.....
Notes pay.	2,550,000	2,400,000
Accts. pay. etc.	95,106	768,058
Tax res.	70,316	161,576
Divs. pay.	137,582	144,032
Pur mon. mtg.	22,000	33,000
Cont. res., etc.	111,140	118,603
Sink. fund	71,179	48,786
Surplus	5,114,553	5,162,014
Total	$15,075,412	$15,978,205

*After depreciation.
†Represented by 98,851 no-par shares.

CIGAR BAND ONCE PROTECTED FINGERS

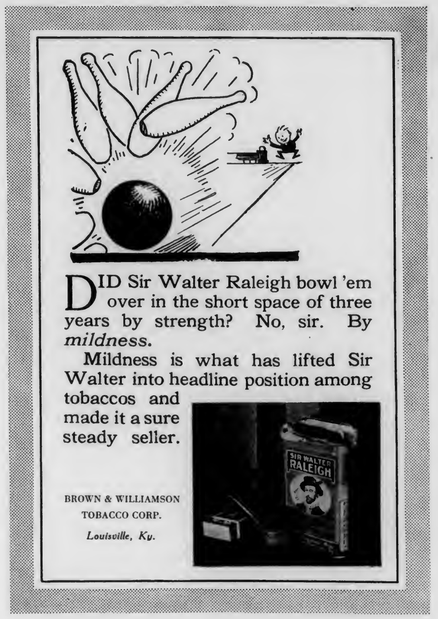
The first use of the band on the cigar was to protect the smoker's fingers, since early users preferred their cigars semi-moist. It was later that cigarmakers discovered that the band could serve as a means of advertising with name and trade-mark.

Thus it is that the smoker of today finds on his cigar this memento of another day, though his cigar is probably a far different kind than that smoked when the band was needed. Significant in the changes in cigarmaking is the five-cent cigar where modern sanitary manufacture has replaced slipshod methods and such practices as spit-tipping so prevalent in the old hand-rolled cigar, tobacco experts declare.

An interesting trend in cigar production has been the phenomenal increase in the five-cent class, which comprised over 61 per cent. of all cigars consumed in December.

HEAVY RAINS AID SUMATRA

Heavy rains which have been reported around Meman, Sumatra, are expected to influence favorably the next tobacco crop. The crop has suffered the past two years on account of the shortage of rain. (Trade Commissioner, D. C. Bliss.)


DID Sir Walter Raleigh bowl 'em over in the short space of three years by strength? No, sir. By mildness.
Mildness is what has lifted Sir Walter into headline position among tobaccos and made it a sure steady seller.
SIR WALTER RALEIGH
BROWN & WILLIAMSON TOBACCO CORP.
Louisville, Ky.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
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WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

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NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

BUSTILLO HEADS TAMPA MANUFACTURERS

AT the annual meeting of the Tampa Cigar Manufacturers' Association, held on March 6th, Moses Bustillo, of M. Bustillo & Merriam, manufacturers of well-known clear Havana cigars, was elected president of the association for the ensuing year to succeed Jose Arango, who has been president for the past four years. Mr. Arango will continue as a member of the board.

Pancho Gonzalez, of Garcia & Vega, was elected vice-president, and A. Ramirez was re-elected executive secretary.

The board of directors consists of: Mariano Alvarez, of A. Santaella & Company; Jose Arango, of Jose Arango & Company; Jose Perez, of Marcelino Perez & Company; Leonidas Arango, of Arango & Arango; John Levy, of Schwab, Davis & Co., and Edward Mandell, of Wengler & Mandell.

The officers and directors of the association are all well known and favorably known in the industry, and a successful year is confidently anticipated.

EFFECT OF THE INCREASED TAX ON THE GERMAN TOBACCO INDUSTRY

The tobacco harvest in 1930 was very satisfactory both in quantity and quality, and recent reports indicate that the present crop has been sold, states American Consul Leon Dominian, in a report released by the Tobacco Division of the Department of Commerce. The crop of 1929 did not fare so well as a considerable quantity remained unsold in October of that year.

The new tobacco tax has met with strong opposition on the part of tobacco planters and workers in the State of Baden where nearly 60 per cent. of the total German tobacco plantations are concentrated. Representatives of the tobacco trade believe that this tax will accentuate the bad condition from which the tobacco industry is already suffering. The acreage of the tobacco plantations as well as the number of planters is decreasing with the declining prices. The number of acres under cultivation has decreased from 24,587 in 1928 to 22,640 in 1930; and the number of planters, from 66,930 in 1928 to 58,531 in 1930.

Cigar and Cigarette Industry

The new tax on tobacco that went into effect on January 1, 1931, resulted in a plan whereby the consumer pays the tax without an additional payment on a package of cigarettes. Under the new plan the boxes formerly containing 50 cigarettes will contain 45 cigarettes; boxes of 30 will contain 27 cigarettes; and boxes of 10 will contain 9 cigarettes. In each case the price charged will be for a box of 50, a box of 30 and a box of 10. The tobacco business in general has been slow with the usual decline after the seasonal demand of the Christmas holidays.

CANADIAN TOBACCO GROWERS

According to the *Montreal Gazette* a special despatch from Simcoe advises that negotiations between tobacco officials and the Department of Immigration at Ottawa have resulted in an agreement to partially lift the ban against agricultural workers from foreign countries, which would have sorely handicapped the tobacco growers of Norfolk County.

The Department of Immigration has consented to the entry of "share men" or tenant farmers, to take part in the cultivation of Norfolk's 20,000 acres of Flue-cured tobacco, and in addition expert curers from the South will be admitted later in the season. Several hundred southerners will come in under this ruling.

FORTY-FIVE BRANDS IN DU PONT EXHIBIT

MORE than twenty-five manufacturers of about forty-five popular brands of cigars were represented in one of the recent Boardwalk window displays of the Du Pont exhibit at Atlantic City. All the cigars were wrapped in moisture-proof cellophane. The display was designed as a merchandising tie-up with a campaign of national advertising on the same subject, copies of which were in the background of the window.

A similar display is also a feature of the exhibit in the lobby of the Du Pont-Biltmore Hotel in Wilmington, Delaware.

Among the manufacturers and brands of cigars shown were: General Cigar Company, New York City, "Robert Burns," "White Owl," "William Penn"; American Cigar Company, New York City, "Premo," "Chancellor," "Antonio Y Cleopatra," "Pall Mall Earles"; Consolidated Cigar Corporation, New York, "Dutch Masters"; P. Lorillard Company, Richmond, Va., "Rocky Ford," "Muriel"; I. Lewis Cigar Manufacturing Company, Newark, N. J., "John Ruskin," "Flora de Melba"; Porto Rican American Tobacco Company, New York, "Portina," "El Toro," "Nurica," "Ricoro"; Julius Klorfein, Perth Amboy, N. J., "Garcia Grande"; D. Emil Klein Company, Inc., New York, "Haddon Hall"; John H. Swisher & Son, Inc., Jacksonville, Fla., "King Edward VII"; Bobrow Brothers, Inc., Philadelphia, Pa., "Bold"; Congress Cigar Company, Philadelphia, "La Palina"; Bayuk Cigar, Inc., Philadelphia, "Phillies"; Webster Eisenlohr, Inc., York, Pa., "Webster," "Cinco"; G. W. Van Slyke & Horton, Albany, N. Y., "Peter Schuyler"; A. Santaella & Company, New York, "Optimo"; Jose Escalante & Company, Tampa, Fla., "Corina"; Lee Roy Myers Company, Savannah, Ga., "Cortez"; Max Schwarz, New York, "La Primadora"; H. E. Snyder Cigar Company, Inc., Perkasie, Pa., "White Ash"; Wertheimer Brothers, Baltimore, Md., "El Dallo"; Deisel-Wemmer-Gilbert Corporation, Lima, Ohio, "San Felice," "El Versa"; Mazer-Cressman Cigar Company, Inc., Detroit, Mich., "Flor-de-Manuel"; H. Fendrich Cigar Company, Inc., Evansville, Ind., "Charles Denby," "La Fendrich"; Wengler & Mandell, Inc., Tampa, Fla., "Tom Palmer," "Flor Fina," "King Bee," "Sanchez Haya"; M. & N. Cigar Manufacturers, Inc., Cleveland, Ohio, "Student Prince"; George Zifferblatt & Company, Philadelphia, Pa., "Habanello"; Dan O'Brien Cigar Company, Buffalo, N. Y., "Dan O'Brien" and "Little Dan O'Brien."

"OLD GOLD" PROGRAM TOPS THE LIST

According to a recent survey made by the class in advertising of Washington University, under the direction of Edward D. Nix, the "Old Gold" radio program was placed at the top of the list by the University students.

Six types of consumers were questioned and Amos 'n' Andy led in universal appeal in the estimation of mothers, housewives, farm women, and the miscellaneous class.

Amos 'n' Andy ran second on the list with Washington University students, while students of Iowa University failed to include it at all in their list of favorites.

BLAINE CIGAR COMPANY ELIMINATES CUTTERS

THE Blaine Cigar Company, San Francisco, Cal., has now decided to definitely eliminate cutters so far as their brands of cigars are concerned.

Robert Blaine has always been opposed to selling price cutters, realizing as he does that were it not for the independent dealers he himself would never have achieved the volume to interest the cutters. In other words a manufacturer can build up a business on the independents but never on a cutter.

Besides therefore the feeling of gratitude Mr. Blaine feels toward the retail cigar dealer, he also realizes that quitting the cut rater is actually a good stroke of business. He already enjoys the friendship of the retailers and the fact that he has taken this decisive step in regard to cutters will certainly not make them less favorable toward Blaine Cigar Company brands.

Nevertheless dealers should realize that Mr. Blaine has taken a drastic step in pioneering on this matter and dealers should certainly do their best to encourage him in so good a cause.

The cigars involved are "Garcia y Vega" clear Havanas, the famous "Webster" and now also the "Pancho Arango" of Schwab, Davis & Co., Tampa. These goods are reported to be the finest shade grown made in Tampa. There is also a new 15-cent size of "Garcia y Vega," which formerly sold at three for a half.

AUCTIONEER ON "LUCKY STRIKE" HOUR

Brought on from Kentucky especially to drill a radio announcer to imitate a tobacco auctioneer cast in Saturday's "Lucky Strike" radio hour, one of the South's greatest auctioneers after four days of vain endeavors as a teacher finally despaired of success. As a last resort he stepped before the microphone himself to rattle off the high-speed chatter of the auction salesman. His debut proved that tobacco auctioneers are born, not made, and so instead of teaching he played the role himself.

The scene to be portrayed was laid in a tobacco warehouse. Buyers from the great tobacco companies were present to bid on the offerings placed in piles on the floor. From pile to pile they go, the auctioneer rattling off with lightning-like rapidity the prices bid. For four days various announcers tried it. Then an actor or two. Finally a circus barker. None satisfied the teacher from Kentucky or George W. Hill, "Lucky Strike's" president.

Finally the Kentuckian, Forest E. Boone, of Lexington, chagrined because even crack announcers failed to get the touch he wanted, stepped to the rehearsal microphone and pulled off the scene himself with every bit of the self-possession and assurance that mark the performances of veteran radio announcers and actors who have appeared before millions of people. The auctioneer had never been to New York, had never been near a microphone and had little knowledge of what a radio studio chock full of B. A. Rolfe and his "Lucky Strike" dance orchestra would look like.

BERKS CIGAR BOX COMPANY CEASES

The Berks Cigar Box Company, Reading, Pa., has ceased business and the trade and good will has been acquired by C. H. Williamson, cigar box manufacturer of Womelsdorf, Pa.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

STRIPPER FOREMAN—FOR MANY YEARS WITH ONE OF of the largest concerns, desires position. Address Box No. 557, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

News from Congress

(*Continued from Page 13*)

Material decreases were observed in the principal forms of receipts. Income taxes netted $1,171,431,000, a drop of $81,203,000, reflecting chiefly the one per cent. reduction in rates. Customs receipts of $258,299,800 were $121,128,000 less and miscellaneous Internal Revenue of $379,791,000 showed a reduction of $36,679,000. Both of these items reflected directly the business depression.

Operation of the Government departments and bureaus cost $1,533,571,800 during the eight months, an increase of $86,000,000. Interest on the public debt was $328,687,300, a reduction of $37,652,000. Internal Revenue refunds were $45,923,600, a reduction of $25,$94,000. For the Federal Farm there was an expenditure of $142,758,500, an increase of $98,736,000.

OHIO TOBACCO TAX PROPOSED

A bill is being drafted by a special committee in Ohio, which is to be presented to the State Legislature at once, and which will be expected to produce $11,000,000 annually from a tax on sales of cigars and cigarettes.

A two-cent tax would be placed on each package of twenty cigarettes, bringing in an estimated revenue of $8,000,000 annually, while a sufficient rate of taxation on the sale of cigars is to be placed so as to bring in an additional $3,000,000 annually.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

OLD GIRLS:—45,857. For cigars only. Registered January 22, 1931. Frings Bros. Co., Philadelphia, Pa. (By consent of The American Tobacco Co., Inc., New York, N. Y.)

BROOKDALE:—45,861. For cigars. February 4, 1931. D. Emil Klein Co., Inc., New York, N. Y.

TRANSFERS

TANTOS:—23,966 (Tobacco Leaf). For cigars, cheroots and cigarettes. Registered September 22, 1902, by M. Sole e Hyos, New York, N. Y. Transferred to Cien Porciento Co., and re-transferred to Infanzon & Rodriguez, New York, N. Y., February 26, 1931.

ELITE:—3402 (U. S. Patent Office). For cigars. Registered July 31, 1883, by Grommes & Ullrich, Chicago, Ill. Through mesne transfers acquired by Albert Sima, and re-transferred to Max S. Austrian, Chicago, Ill., February 25, 1931.

LA DONA:—25,753 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobacco. Registered March 31, 1913, by National Litho. Co., New York, N. Y. Transferred to Pasbach-Voice Litho. Co., Inc., and re-transferred by their successors, the Consolidated Litho. Corp., to the Morgan Cigar Co., Tampa, Fla., March 2, 1931.

FULLER VICE-PRESIDENT OF EDWARDS & BREWER

Last week it was announced that William S. Fuller, of Suffield, Connecticut, had been elected vice-president of Edwards & Brewer, Inc., of Hartford, Conn., growers and packers of shade wrappers. Mr. Fuller has been associated with the firm of E. A. & W. F. Fuller for many years and for the past three years has been engaged in packing broadleaf tobacco at their Suffield warehouse. He has also been assistant manager of the Connecticut Valley Leaf Tobacco Association for the past five years.

The Edwards & Brewer Company was incorporated in 1927, and has continually grown shade tobacco at several locations since that time. It has built up a splendid reputation for growing quality tobacco, and for excellent sorting and packing, and they number among their clientele the outstanding users of Connecticut Valley Shade Grown tobacco.

LANCASTER TOBACCO BEING BOUGHT

Nineteen hundred and thirty Lancaster County tobacco is being moved to the warehouses following the appearance of two important cigar firms in the market recently, with prices reported to be ranging from nine to thirteen cents, and one to three and one-half cents for filler.

Bayuk Cigars, Inc., are understood to have been one of the purchasers of choice 1930 leaf, after being off the market for about two years. Buying for the General Cigar Company was also reported.

RECORD ADVERTISING GAIN IN FEBRUARY

A TOTAL expenditure of $782,726 was made by the tobacco industry in February for magazines and radio broadcast advertising, compared to an outlay in February, 1930, of $529,460. This figure shows an investment in advertising in February, 1931, which was 48 per cent. in excess of the February, 1930, total, according to the Business Survey Department of Dorrance, Sullivan & Company, New York advertising agents.

The detailed analysis of February, 1931, tobacco advertising shows that $519,143 was expended in national magazines, of which total, $413,148 was for the promotion of cigarettes, $23,360 for cigars, and $82,635 for smoking tobacco and smokers' supplies. This total expenditure in national magazines in February showed a gain of 35.1 per cent. over the total of $384,177 spent in national magazines in February of 1930 by the tobacco industry. In national farm magazines, this industry spent $26,000 in February of 1931, compared to only $9850 in February of last year.

The January, 1931, radio expenditure of the tobacco manufacturers amounted to $237,583, a gain of 75.5 per cent. over the total expenditure for radio advertising of tobacco products in January of 1930 of $135,440.

Since last month's survey showed a gain for January, 1931, of approximately 33.5 per cent. over the January, 1930, total expenditure of the tobacco industry, accumulative figures for the first two months of the current year indicate that the tobacco industry has made a good start toward setting a new high record in the advertising of its products. In national magazines, expenditures for the first two months of 1931 totalled $1,055,340, and in farm magazines the two months' total amounted to $47,700, a gain over the comparable two months of 1930 of 33.4 per cent. for national magazines and 228 per cent. for farm magazines.

TOBACCO PRODUCTION IN PORTO RICO, 1931

Heavy rainfall over the entire Island of Porto Rico from February 5th to 9th, inclusive, was reported as of general benefit to the tobacco crop, according to a report received in the Tobacco Division of the Department of Commerce from Assistant Trade Commissioner Darwin DeGolia. Some damage was caused to more matured plants, but the small plants, comprising about 60 per cent. of the crop at its present stage, was greatly benefited by the heavy precipitation.

About two-thirds of the crop in the Cayey district has been harvested and stored, but in all other districts the harvested portion of the crop is very small. The leaf harvested so far this year is described by tobacco experts as surpassing in quality that of last season, being of unusually good size and texture.

The area under cultivation in tobacco in 1931 has been finally estimated at about 60,000 cuerdas (one cuerda is approximately equal to an acre), and this represents a large increase over the cultivation of 1930.

Preliminary and unofficial estimates of individuals connected with the tobacco trade in Porto Rico place the size of the crop at about 35,000,000 pounds, or some 2,000,000 pounds more than last season's crop. This estimate is based on very rough calculations, however, and will undoubtedly change as the crop progresses, as weather conditions vary, and as more detailed reports are received from growers.

APRIL 1, 1931

VOLUME 51 No. 7

THE TOBACCO WORLD

LIBRARY RECEIVED APR 4 1931 U. S. Department of Agriculture

Autokraft Is The Name Of An Improved Cigar Container And A Real Service

But AUTOKRAFT means more than a cigar container and a service; it is an institution backed by experience and resources to serve the cigar manufacturing customer in every possible way.

A research department is constantly experimenting with, and testing every material that enters into the manufacture of a wooden cigar box. Engineers are employed to study new and improved methods of machine manufacture. AUTOKRAFT is determined that not only shall the customer have the best wooden cigar container that can be produced for his purpose, but also that he shall have the advantage of every economy that science and practical knowledge can develop.

Its field of service covers something more than a mere delivery of cigar boxes. A group of able and experienced men are constantly studying not only the packaging problems of their customers, but the vital factors in the field of merchandising and advertising which influence cigar sales.

AUTOKRAFT would appreciate the opportunity of telling interested cigar manufacturers in person, and in detail, about its product and its service.

AUTOKRAFT BOX CORPORATION

LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

The Successful Cigar Manufacturers

Of 1931 will be those who charged off all previous happenings to "Business Education", and started the year by abolishing all obsolete forms and practices.

To assure the best condition of your cigars pack them in Wooden Boxes so they will be conditioned properly when the smoker buys them.

Wooden Cigar Boxes help cigars to condition themselves because the porous wood permits the necessary air circulation.

Wooden Boxes also improve the mellowness and flavor by blending with the cigar's aroma the natural fragrance of the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 7

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, APRIL 1, 1931 — Foreign $3.50

JESSE BLOCH NOMINATED FOR DIRECTOR OF CHAMBER OF COMMERCE OF UNITED STATES

THE following communication has been received from the Tobacco Merchants Association in reference to the nomination of Jesse A. Bloch, president of the Tobacco Merchants Association and vice-president of the Bloch Brothers Tobacco Company, of Wheeling, W. Va., for a director of the Chamber of Commerce of the United States, to represent the Third Eastern District.

"Mr. Bloch's record as President of the T. M. A. for the last ten years is indeed well known not only to our members but to the Tobacco Industry at large throughout the country. It will, however, not be amiss to quote here from a resolution unanimously adopted by our Board of Directors at its last meeting, to wit:

"RESOLVED that the Tobacco Merchants Association of the U. S., through its Board of Directors, by these presents, expresses to

JESSE A. BLOCH

The third President of the Association, its warmest appreciation of the able manner in which he has guided the Association's activities during the period of nearly ten years that he has served as chief executive officer, as well as its deepest gratitude for his untiring and unremitting efforts in the interest of the Association and the Tobacco Industry at large which he has so unselfishly served with distinction and success."

"The Tobacco Industry, which is today contributing over $450,000,000 a year to the Federal Government in internal revenue taxes on its products, and which is one of the country's major industries, both from an agricultural and manufacturing standpoint, has never heretofore had the privilege of direct representation on the National Chamber's Board. Thus we feel sure that the entire industry will most eagerly welcome this opportunity to endeavor to secure such representation on the Board of the U. S. Chamber of Commerce by one of our industry's outstanding leaders.

"An American business man of the highest type, formerly a distinguished member of the West Virginia Senate, Mr. Bloch has for years been an active worker and a leading figure in public affairs, including civic, social and philanthropic movements, both local as well as national, to which may be added his service as a member of President Hoover's National Business Survey Conference as the accredited representative of the Tobacco Industry. Surely, with his eminent qualifications, Mr. Bloch will make a highly desirable addition to the National Chamber's great Board and surely too,

(*Continued on Page 17*)

SCHULTE TO RAISE PRICES THIS WEEK

FOLLOWING persistent rumors in the trade that the Schulte Cigar Stores were contemplating a rise in prices, Louis G. Goldvogel, vice-president of the company, officially announced last week that an upward revision of retail prices on cigars and little cigars would be made by his company on April 3d.

This is welcome news to the trade and a more profitable business is hopefully anticipated.

When asked about cigarette prices, Mr. Goldvogel would make no announcement as to whether they were to be included in the upward revision or not.

SIX AND ONE-HALF-INCH CIGAR MAKES HIT

W. H. Snyder & Sons, Windsor, Pa., are enjoying an excellent demand on their new six and one-half-inch cigar, retailing at five cents, and manufactured under the "Sunkist" label.

This six and one-half-inch five-cent smoke was introduced a few weeks ago as an inducement to increase the number of cigar smokers and has met with a great deal of success, so much so that there are now several well-known manufacturers making this size cigar to retail at five cents.

NO MORE "LUCKY" FIGURES

The American Tobacco Company has decided that definite figures on the increase in sales of "Lucky Strike" cigarettes will not be given out in the future since other companies do not give out their sales figures.

However, sales for February showed an increase of more than two and one-half times the increase for January, and March showed a continued increase.

P. R. AMERICAN LAUNCHES AD CAMPAIGN

The Porto Rico-American Tobacco Company has recently launched an aggressive advertising campaign on their "El Toro" cigar, retailing at five cents, in newspapers throughout the country, stressing the point that "El Toros" are good for your nerves. The campaign is attracting a great deal of interest and the sale of "El Toros" is showing a nice increase.

MacANDREWS AND FORBES DIVIDEND

The MacAndrews and Forbes, licorice manufacturers, whose plant is located in Camden, N. J., has declared a quarterly dividend of fifty cents a share on the common stock, placing the stock on a $2 yearly basis. The stock has previously been on a $2.60 yearly basis.

PHILADELPHIA.

BAYUK TO OFFER UNUSUAL BRAND VALUES

THE following letter has been addressed to the stockholders of Bayuk Cigars, Incorporated, by Harvey L. Hirst, president, informing them of a change in the company's policy:

"The present tendency in the cigar business is toward increased consumption of lower-priced brands.

"Your management desires to make the most of this tendency, not by changing prices for existing brands which sell at popular prices, but by offering unusual values. In order to do this some tobacco will be used which was originally purchased for other purposes.

"If this plan were carried out without an adjustment of inventory book values, reported earnings in the future would not give a fair impression of the current operations of your company.

"Your directors have, therefore, decided at this time to use $965,549 of the surplus of $5,185,731 by setting up a special reserve which will be reflected in future earnings as present holdings of tobacco are used."

TINT DISPLAYING BEAUTIFUL CABINET

Harry A. Tint, well-known retailer of the Burlington Arcade, and who has recently returned from a visit to Tampa and Havana, is exhibiting a beautiful cedar cabinet which has recently arrived from Cuba, filled with cigars which he carefully selected while on his visit there.

The cabinet contains five sizes of a choice all Havana cigar, packed in boite nature cedar boxes, and the cabinet will remain as a permanent fixture in his splendid humidor.

Mr. Tint is also displaying some very fine shapes of Tampa cigars, which were also selected by him on his recent visit.

FOX OPENS SHOP ON THIRD STREET

William Fox has opened a shop at 13 South Third Street, manufacturing the "Fifty o Five" cigar retailing at five cents, and the "Bennett Hall" retailing at ten cents, and selling direct to the consumer on the premises.

F. S. CALDWELL A VISITOR

F. S. Caldwell, sales manager for the American Tobacco Company, was in Philadelphia last week, accompanied by Division Manager L. M. Applewhite, making the rounds of the trade.

CONGRESS NEW WINDOW DISPLAY

THE Congress Cigar Company has completed a beautiful new cut-out for window display which will no doubt increase the sales of "La Palina" cigars throughout the country.

The cut-out depicts a naval officer exhibiting all the signs of satisfaction with a "La Palina" cigar. The cut-out also includes a likeness of the dancing girl from Java, which has played such a prominent part in all "La Palina" advertising.

Preparations have also been completed for the launching of a $10,000 prize contest for a slogan for the "La Palina" cigar and announcements will be made in newspapers in the near future as to the complete details.

ISADORE MOYER PASSES AWAY

Isadore Moyer, well known in the retail trade in Philadelphia, passed away at the Home for the Aged, Jewish Hospital on Friday, March 20th, following several years of ill health.

Mr. Moyer was well known as being associated with the Yahn & McDonnell retail stand in the Widener Building where he specialized in box sales and enjoyed a high class clientele. About five years ago he suffered a paralytic stroke and was forced to enter the Home where he carried on his business for a short time.

Mr. Moyer's passing is deeply mourned by his many friends. Funeral services were held on Sunday with interment in Mt. Sinai Cemetery.

KASING FLUID COMPANY TO RESUME

The L. Sandor Chemical Company, a reorganization of the Philadelphia Company which manufactured the Rex Kasing Fluid several years ago, is about to resume business manufacturing Royal, Rex and Regal Kasing Fluids for kasing cigar tobaccos. The Regal Fluid is manufactured expressly for kasing Havana tobaccos.

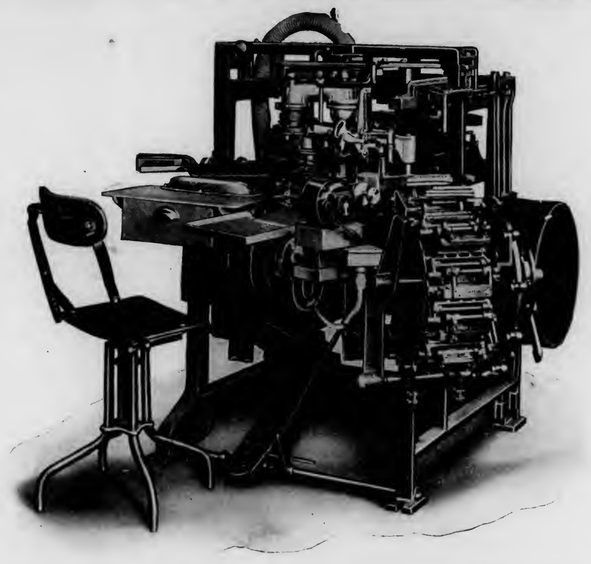
These Kasing Fluids were manufactured prior to the World War, but the company was forced to discontinue at that time owing to their inability to obtain the necessary chemicals.

HARRY CATLIN IN TOWN

Harry Catlin, of the Porto Rican-American Tobacco Company, was in town last week, visiting the Congress Cigar Company, and at the same time renewing acquaintances with his friends in the trade throughout the city.

The Model R Universal Automatic Cigar Rolling Machine

Is Designed to Work in Combination With any of the four Universal Bunch Making Machines Models L, S, S-2 and T.



$7,500

Convenient Time Payments in United States and Canada. Prices, F. O. B. Our Plant, Newark, N. J., U. S. A.

AFTER our long and continued success in the development of Cigar Making Machinery, starting with the Model M Universal Tobacco Stripping and Booking Machine, down to our latest, the Model S-2 Universal "Cross-Feed Type" Long Filler Bunch Making Machine, it was the next logical step that we should develop a machine that would complete the process and deliver the finished Machine-Made Cigar.

Before designing the Model R Universal Automatic Cigar Rolling Machine, a thorough investigation was made with a view to avoiding or correcting the faults existing in other Cigar Making Machines. The result is a compact machine, simple in operation, sturdy in construction, with a minimum number of parts all of which are interchangeable.

The Model R Machine has been subjected to a series of most severe tests in factories making cigars of varying shapes and sizes, from all kinds and grades of tobacco, with the result that it is now being offered to cigar manufacturers supported by the enthusiastic approval of those practical cigar men who have proven the machine and are now using it in their own cigar factories.

The Model R Machine, which will produce from 400 to 500 cigars an hour, depending on the efficiency of its operator, is timed to a capacity of ten (10) cigars a minute. The Model R requires but one operator to effect a saving of $1.00 and upwards a thousand under the lowest cost heretofore obtainable in Machine Made Cigars.

COMPLETE visibility in all of its operations is one of the outstanding features of the Model R Machine. Before the bunches are placed into the individual turret molds of the Model R Machine they are inspected for imperfections by the operator of the Universal Bunch Making Machine. "Throw outs" are eliminated before the bunches are placed into the individual turret molds of the Model R Machine. The result is that imperfect bunches are, of course, never rolled on the Model R Machine.

This means an important saving of binder and wrapper stock, which ordinarily is spoiled and scrapped on imperfect bunches made on other types of Automatic Cigar Machines.

There are always ten bunches under pressure in the individual turret molds of the Model R, and the pressure on each bunch is uniform throughout and for the same length of time. The bunches in the individual turret molds are all subjected to the same atmospheric conditions, and for the same period of time. This condition cannot prevail where cigars remain in wooden molds from several minutes to hours, over night, and often over a week-end.

Aside from the increased production and saving in stock and labor costs you are always assured of a uniformity in the size, shape, appearance and condition of cigars made on the Model R Universal Automatic Cigar Rolling Machine.

The Model R Machine is sold outright, thus relieving the cigar manufacturer of all unnecessary royalty or leasing entanglements.

UNIVERSAL TOBACCO MACHINE CO.

40 EAST 34TH STREET, NEW YORK

FOX COMPANY TO DISTRIBUTE "MURIEL"

THE P. Lorillard Company announces that the Nathan Fox Company, Inc., have been appointed "Muriel" cigar distributors for Chicago territory, and feel confident that a greatly increased demand for this quality cigar may be looked forward to in that territory through this arrangement.

Ben Newman, in charge of the Lorillard Cigar Sales in that territory will assist the Nathan Fox Company, who will feature the "Perfecto" size, retailing at ten cents. The Nathan Fox Company has a large and efficient sales organization thoroughly competent to cover the entire City of Chicago.

PORTO RICAN CROP ESTIMATE 32,000,000 LBS.

Following is figures furnished by the Government of Puerto Rico showing the preliminary estimate of the Porto Rican Tobacco Crop for the year 1930-31:

City	*Pounds*
Adjuntas	40,000
Aguas Buenas	900,000
Aibonito	2,400,000
Arecibo	100,000
Barceloneta	90,000
Barranquitas	1,000,000
Bayamon	1,000,000
Caguas	2,500,000
Camuy	250,000
Carolina	70,000
Cayey	3,700,000
Ciales	300,000
Cidra	2,200,000
Coamo	300,000
Comerio	1,600,000
Corozal	300,000
Guaynabo	300,000
Gurabo	500,000
Hatillo	150,000
Isabela	200,000
Jayuya	400,000
Juncos	700,000
Las Piedras	200,000
Manati	600,000
Morovis	300,000
Naranjito	800,000
Naguabo	10,000
Orocovis	500,000
Quebradillas	100,000
Rio Piedras	80,000
Sabana Grande	10,000
San Lorenzo	2,500,000
Toa Alta	250,000
Trujillo Alto	40,000
Utuado	2,000,000
Vega Baja	100,000
TOTAL	26,490,000
Crop from smaller cities not mentioned above	2,000,000
Total for first crop	28,490,000
Second crop to be harvested	2,500,000
Tobacco for chewing, etc.	1,000,000
Total estimate for 1930-31 crop	31,990,000

HAHN A DIRECTOR OF AMERICAN

Paul M. Hahn has been elected a director of the American Cigar Company, according to a recent announcement.

"ROYALIST" BRAND SOON TO APPEAR

PHILADELPHIA, the home of many famous brands of cigars, is due to witness the launching of a new brand under very happy auspices within the next week or so. This brand is the "Royalist", a high-grade shade-grown wrapped cigar that will be made in a number of handsome and distinctive sizes, appearing under a label and in a packing that is extremely artistic and attractive. It will be sponsored by the new cigar manufacturing firm of Grabosky Brothers, Incorporated, whose factory and headquarters are located at 21 North Second Street.

This firm includes Louis Grabosky, president; Jacob Grabosky, vice-president; Theodore Grabosky, treasurer, and Louis Pollock, secretary.

This entire personnel was formerly associated with the G. H. P. Cigar Company and each of the members is experienced in the manufacture and sale of high-grade cigars. Louis and Theodore Grabosky are sons of Samuel Grabosky, and under his strict tutelage received their training in the cigar business. Jacob Grabosky and Louis Pollock have also demonstrated genuine ability in this line, and their association with the company will be valuable.

The "Royalist" will be made in six sizes—Earl and Count, retailing at ten cents; Duke at two for a quarter; Premier and Crown, at fifteen cents straight, and Prince at three for fifty cents.

The label is beautifully lithographed in seven colors, including gold leaf, and constitutes a de luxe specimen of the lithographer's art. The whole scheme, cigar and packaging, is distinctly high class and will undoubtedly appeal to discriminating smokers.

STANDARD COMMERCIAL TOBACCO EARNINGS

The Standard Commercial Tobacco Company and subsidiaries report net loss of $295,763, for 1930, before provision for depreciation of inventory, taxes and contingencies of $290,783, which the company charged against surplus account.

This compares with net loss of $739,613 in 1929 before provision of $1,075,670 for depreciation of inventory, taxes and contingencies charged against surplus.

A disagreement between the president and the board of directors of the Standard Commercial Tobacco Company over operation of a cigarette factory in Bremen, Germany, is to be brought before the stockholders at their annual meeting on April 7. The dissension mostly concerns accounting.

Ery Kehaya, president, and representatives of the board have sent proxies to the shareholders seeking support of their respective positions. A majority of the directorate contends that the factory, bought in 1929, was valued in an auditor's report at $104,000, but that a report made under Mr. Kehaya's direction valued it at $238,000 and that the company to date has an investment of about $800,000 in the plant. The dissenting directors also say the factory was inefficiently managed and that there is a $450,000 loss from purchase and operation.

The president took exception to the 1930 statement of income, which showed net loss of $295,763 and refused to sign the report. He contends the group opposing him seeks to make the company an investment trust. The directors would run the Bremen factory on a reduced basis of operations and then determine whether it should be continued.

SUNSHINE MELLOWS Heat Purifies

LUCKIES are always kind to your throat

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED"—an extra, secret heating process. Harsh irritants present in all raw tobaccos are expelled by "TOASTING." These irritants are sold to others. They are not present in your LUCKY STRIKE. No wonder LUCKIES are always kind to your throat.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

"It's toasted"

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

RATES of duty of the Hawley-Smoot Tariff Act on pipes and smokers' articles have been found by the United States Tariff Commission to be proper and, in a report submitted to President Hoover last month, it was recommended that no changes be made in these rates. The investigation of smokers' articles dutiable at five cents each and 60 per cent. ad valorem under paragraph 1552 was undertaken by the Commission in compliance with a Senate resolution adopted July 3, last. Of the articles dutiable at these rates, it was stated in the report to the President, brierwood pipes are the most important.

Imports of brierwood pipes come principally from France, and the diversity in styles and grades made it necessary for the Commission to base its cost comparisons on pipes intended to sell in certain retail price groups, namely 25 cents, 50 cents and $1 each, which groups constitute the great bulk of both the imports and domestic production.

Others smokers' articles included in the investigation were pipes other than clay pipes, cigar and cigarette holders and mouthpieces. The most important items included with these articles were cigar and cigarette holders. On account of the uncertainty of cost comparisons due to the individuality of some of these articles and lack of domestic production in other cases, the Commission made no recommendation with respect to the duty.

Downward Tariff Revision to be Agitated.

Downward revision of industrial tariffs and more effective farm relief legislation likely will be agitated during the next session of Congress as the result of deliberations here March 11 and 12 of the progressives' conference.

Definite proposals as to how he would deal with the tariff question were presented by Senator Edward P. Costigan of Colorado, former member of the Tariff Commission.

"The time is here to overwhelm the selfish and log-rolling special interests which, alike in Congress and before the Tariff Commission, have long used and abused the taxing power of our Government for their private profit, regardless of public needs and welfare," asserted Senator Costigan. To meet this situation he demanded, "(1) that legislative steps be taken designed to bring about the prompt reduction of all important tariff duties, especially on manufactured articles, which are higher than are required by the competitive standard laid down in the flexible provisions of the present law.

"(2) That the reduction of excessive tariff rates be particularly pressed with respect to the products of manufacturing industries, which are monopolistic in character, and in which price fixing tends to eliminate the wholesome effects of desirable competition.

"(3) That if and when practicable, in times of acute farm distress, tariff instrumentalities be used, in one form or another, to stimulate more prosperous farm conditions, as throughout our history those instrumentalities have been used to subsidize industrial development.

"(4) That the impartiality of the Tariff Commission be rigorously maintained; a people's counsel be authorized by law to represent the public interest in Tariff Commission investigations; the law be amended so that the Tariff Commission shall report its findings and recommendations for action by Congress, and Congress, in acting on such findings avoid the pitfalls of log-rolling by statutory restrictions limiting legislation on Tariff Commission reports to the particular subjects separately reported by the Commission.

"(5) That if practicable the law be amended so as to provide the machinery for promoting 'economic disarmament' here and abroad, with a view to the reduction so far as possible of foreign hostile and retaliatory tariffs, simultaneously with the reduction of our own excessive tariff duties.

"(6) That special steps be taken to require reports from the Tariff Commission directed toward lower tariffs in certain cases, for example, on articles not manufactured in the United States and on those which are exported to foreign countries in amounts and values exceeding those of similar articles imported into the United States; also to require the Tariff Commission to disregard competitive costs data, due to inefficient organization and management, and to inquire into and report on meager domestic resources and abnormal or excessively costly production conditions.

"Progressives, regardless of party," he said, "are generally convinced that behind the Federal Reserve Board failure to halt the stock panic of 1929, which marked the beginning of our present unparalleled business depression, unnecessarily severe and one-sided tariff policies played a conspicuous part."

Employment Improves

Slight but general improvement in employment conditions throughout the country, believed to foreshadow a steady return toward normalcy, is indicated by reports from field agents of the President's Emer-

(Continued on Page 14)

What the NEW HUMIDOR PACK

means to Camel Smokers*

COMPARE a package of Camels with any other cigarette and note the difference in the technique of packing.

Note that Camels are completely enclosed in an outer transparent cover of moisture-proof Cellophane and sealed air-tight *at every point.*

We call this outer shell the Humidor Pack. It differs from the ordinary Cellophane pack and while it is egg-shell thin, it means a lot in terms of cigarette enjoyment.

It means, for instance, that evaporation is checkmated and that Salt Lake City can now have as good Camels as Winston-Salem.

While Camels are made of a blend of the choicest Turkish and mellowest Domestic tobaccos, it is highly important, if you are to get full benefit of this quality, that these cigarettes come to you with their natural moisture content still intact.

The Humidor Pack insures that. It prevents the fine tobaccos of Camels from drying out and losing any of their delightful flavor.

Aside from cheap tobacco, two factors in a cigarette can mar the smoker's pleasure:

Fine particles of peppery dust if left in the tobacco by inefficient cleaning methods sting and irritate delicate throat membrane.

Dry tobacco, robbed of its natural moisture by scorching or by evaporation gives off a hot smoke that burns the throat with every inhalation.

We take every precaution against these factors here at Winston-Salem.

A special vacuum cleaning apparatus removes dust and now the new Humidor Pack prevents dryness.

Check the* difference *yourself

It is a very simple matter to check the difference between Humidor Packed Camels and ordinary dry cigarettes.

First of all you can feel the difference as you roll the cigarettes between your fingers. Camels are full-bodied and pliable. A dry cigarette crumbles under pressure and sheds tobacco.

If you will hold a cigarette to each ear and roll them with your fingers you can actually hear the difference.

The real test of course is to smoke them. And here's where the new Humidor Pack proves a real blessing to the smoker.

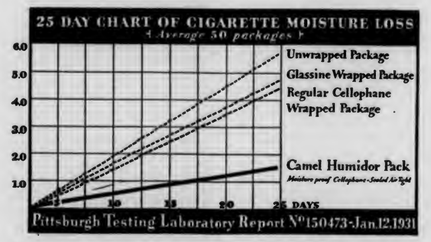
As you inhale the cool, fragrant smoke from a Camel you get all the mildness and magic of the fine tobaccos of which it is blended.

But when you draw in the hot smoke from a dried cigarette see how flat and brackish it is by comparison and how harsh it is to your throat.

If you are a regular Camel smoker you have already noticed what *proper condition* of the cigarette means.

But if you haven't tried Camels in the new Humidor Pack you have a new adventure with Lady Nicotine in store.

Switch your affections for just one day, then go back to your old love tomorrow if you can.



The Pittsburgh Testing Laboratory chart above graphically shows you that only the Camel Humidor Pack delivers cigarettes to you in prime condition

R. J. REYNOLDS TOBACCO COMPANY
Winston-Salem, N. C.

*smoke a Fresh cigarette!

© 1931, R. J. Reynolds Tobacco Company

PHIL M. PHULOFAX MAKES A PROPOSITION

WELL, men, I'm still on the job; full of "wim, wigor and witality"; mighty glad I'm going to be associated with Bayuk Cigars, Inc., for another year; and all set to do my darndest to help you make 1931 the best year you've ever seen in the retail cigar business. I've told Bayuk that if I—Phil. M. Phulofax, D. B. I., himself, in person, not a moving picture—can't make the selling tips I'm writing for them, to appear in the advertising pages of this magazine, even hotter stuff than they were last year they can fire me on the first of next January and I won't say a word.

That's a big order, but I'm going to depend on you men out on the firing line to help me out. You're the fellows who have day-by-day, personal contact with customers. Nobody can touch you when it comes to practical experience in retail cigar selling—with opportunities to study the customer and figure out at first hand ways to move his cash across the counter into your cash register and your cigars across the counter into his humidor. It's practical experience, right in the store, that my selling tips have got to stand on, not theories that sound fine but are duds when you put them into practice.

I'd be willing to bet a month's salary against a dead cigar butt that there isn't one of you who hasn't used what you've learned through experience, to work out a bang-up selling idea that has meant more money in the old sock than if you'd just stood quiet behind the counter and hoped your cigars would sell themselves. What I'm counting on you to do is write in and tell me about those ideas. Tell me how you happened to think of them and how they worked out. Then I'll be able to pass your idea on to the other fellows in the business, and their ideas on to you.

There's a gold mine of selling information in our business. All we have to do is gather this scattered information at a central point—that's me—sort it out and pass it along to all the fellows who can use it. I'll be taking a swing around the country pretty soon to talk to dealers and get their ideas at first hand, but I won't get a chance to see all of you; so send in to me at Philly any selling ideas you've found were hot stuff and help me keep my job after next January.

Just address me Phil M. Phulofax (leave off the Mr.—I'm one of you boys) and all you have to do is say Bayuk Cigars, Inc., Philadelphia. I'll be sure to get it.

MATCH DUMPING BANNED IN UNITED STATES.

Last week, anti-dumping duties were ordered by Secretary of the Treasury Mellon, on matches imported from Finland, Norway, Esthonia, Sweden, Latvia, Austria, Holland and Poland. Matches from Russia have already been banned.

Seymour Lowman, Assistant Secretary of the Treasury, stated that additional duties of $750,000 annually would be assessed under the order, provided the same volume of matches are imported at American ports as formerly.

Following complaints from American manufacturers and subsequent investigations as to conditions in the match industry in this country, the Treasury Department determined that a "fair price" on matches would be approximately eighty cents a gross. The anti-dumping duty will be fixed at between the price at which matches are offered here by the importers and the determined "fair price."

PENNSYLVANIA SMOKERS MORE FASTIDIOUS

ACCORDING to a report from Washington, a more fastidious taste for cigars, at least so far as the market demand among manufacturers in the Philadelphia Internal Revenue District is concerned, was revealed in stamp tax statistics of the Internal Revenue Bureau.

Cigars manufactured in the district, which includes Eastern Pennsylvania, to sell at eight cents and more retail were shown to be greater in sales volume in February than January, while the good old "five-center" dropped in sales.

There were 8,586,350 eight-cent cigars sold by manufacturers in the district during February, more than three times the number in January—2,424,850. The February, 1931, sales were also higher than for the same month a year ago, when taxes were collected on 6,905,130.

The sale of Class C cigars, from eight to fifteen cents, during February also exceeded January, 30,-021,566, as against 28,042,088.

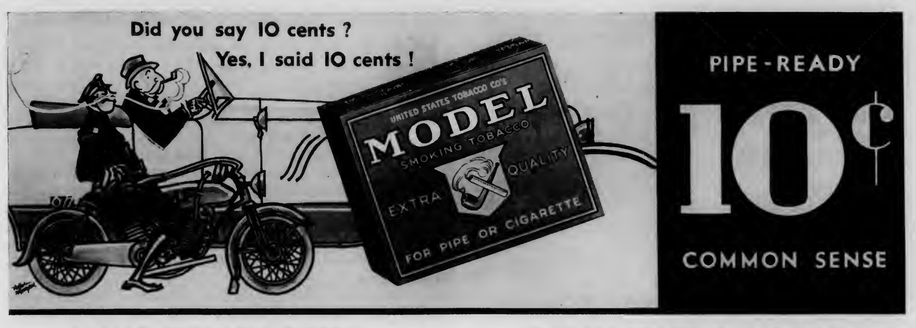
Five-cent cigar sales dropped from 74,207,520 in January to 65,601,790 last month. The total number of cigars sold in February was 104,208,706, as against 104,674,458, but the tax income was greater in February than in January because of the difference in value. Cigar revenue tax collected in February was $307,070, as against $295,900 in January.

CIGAR AND CIGARETTE CONSUMPTION IN GREAT BRITAIN

Trade Commissioner Frank Messenger advises the Tobacco Division, Department of Commerce, that while no official figures are available for the production of cigars and cigarettes in the United Kingdom, men in the trade are confident that the production of cigars is showing a steady decrease and consumption is showing a downward tendency. While the total number of cigars entered for home consumption shows a considerable decrease, the imports of cigars from British countries and also from countries other than Cuba, show a small increase. Cuba, which is the principal exporter of cigars to the United Kingdom, according to trade and navigation returns, suffered a decrease of nearly 30 per cent. during 1930 as compared with 1928 and 1929, the decrease being approximately 160,000 pounds.

Cigarettes manufactured and consumed in the United Kingdom may only be estimated as it is impossible to secure an exact figure. The table which follows was constructed from information secured through a number of trade sources and the estimates given are believed to be as nearly correct as any to be obtained. These estimates are based on the tobacco consumption in the years 1928, 1929 and 1930 and reckoned on the assumption that 80 per cent. of the total tobacco consumption was used in the form of cigarettes and that cigarettes ran an average of 360 to the pound. The table is here given:

	1929	*1930*
Home consumption (British-made cigarettes)	42,572,803,940	43,689,252,600
Cigarettes imported (Home consumption)	25,875,840	25,000,000
Total cigarette consumption	42,598,649,780	43,714,252,600
Total cigarette production	53,412,713,540	not available



WINNER STILL TO BE PICKED

APPROXIMATELY 4,000,000 Americans are anxiously waiting for the judges in the "Camel" $50,000 prize contest to announce the winners.

With straggling letters from far-flung parts of the country still coming in, contest headquarters have been inundated to date with more than a million answers to the question: "What significant change has recently been made in the wrapping of the "Camel" package containing twenty cigarettes and what are its advantages to the smoker?"

Estimating four people to every family, that means that over a million families, or more than four million people, were interested enough in "Camel's" great smoking improvement to have one of their members compete in the contest.

Full-page advertisements in 1700 daily newspapers and 2000 weeklies heralded the golden competition on Wednesday, February 25th.

Four hundred college periodicals and many financial papers also carried the contest announcement advertisements and three additional large-space advertisements (one-page size and the others half-page) appeared in practically every daily newspaper in the country before the end of the contest seven days later.

Because the enormous response to the prize contest has swamped the judges and staff, it may be several weeks before the prize winners can be announced.

Each and every one of the more than 1,000,000 contest letters must be carefully sorted and read by the judges and their staff, and every one knows this is a tremendous job.

When the contest opened on February 25th, judges and officials of R. J. Reynolds Tobacco Company, makers of "Camel" cigarettes, expected answers would total around 300,000.

No one—not even the most optimistic—expected such a deluge of replies. The post-office at Winston-Salem, N. C., was swamped; so were the judges, who had expected to be able to make the capital award of $25,000 within ten days after the close of the contest at midnight on Wednesday, March 4th.

Replies came by regular mail, by special delivery mail, by registered mail, by air mail, by telegraph and cable, by express, and in nearly every language. They came by the thousands and by the hundreds of thousands. Several single mails brought as many as 150,-000 or 200,000 letters each.

Who will win the first prize of $25,000? Who will be the richer by $10,000 by winning the second prize? Who will be awarded the third prize of $5000? Who are the thirty-five other prize winners?

Nobody knows—not even the judges. Each letter is being carefully studied but there are so many that it will take some time to read them and select. Until then, watch your newspapers, or listen to the weekly "Camel" radio broadcast for the announcement.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

JAVA PROSPECTS FAVORABLE

According to "Trade and Industry," an official organ of the Netherland East Indies Department of Agriculture, the 1930 estates tobacco crop turned out unfavorably. Attempts will be made to decrease the cost of production on the tobacco estates inasmuch as it seems particularly urgent in view of the increased import duties on tobacco going into Germany. Recent interviews reveal that the prospects for the 1931 crop are favorable, due to abundant rainfall during the latter part of 1930 and the beginning of 1931. (Assistant Trade Commissioner, Carl H. Boehringer.)

EIGHT MONTHS' WITHDRAWALS SHOW DECLINE IN ALL CLASSES IN UNITED STATES

	1st 8 Months Fiscal Year 1930	*1st 8 Months Fiscal Year 1931*
Cigars:		
Class A—		
United States	2,434,029,270	2,359,543,570
Porto Rico	75,851,910	99,545,080
Philippine Islands	109,801,190	102,875,910
Total	2,619,682,370	2,561,964,560
Class B—		
United States	351,248,577	233,295,753
Porto Rico	2,000,800	2,270,750
Philippine Islands	1,641,375	1,071,574
Total	354,890,752	236,638,077
Class C—		
United States	1,461,117,584	1,117,631,460
Porto Rico	8,473,120	6,760,880
Philippine Islands	432,588	816,580
Total	1,470,023,292	1,125,208,920
Class D—		
United States	94,028,229	75,183,703
Porto Rico	36,200	19,700
Philippine Islands	8,289	8,740
Total	94,072,718	75,212,143
Class E—		
United States	20,113,548	15,725,516
Porto Rico	33,400	3,100
Philippine Islands	25,526	68,981
Total	20,172,474	15,797,597
Total All Classes:		
United States	4,360,537,208	3,801,380,002
Porto Rico	86,395,430	108,599,510
Philippine Islands	111,908,968	104,841,785
Grand Total	4,558,841,606	4,014,821,297
Little Cigars:		
United States	264,297,346	229,930,319
Porto Rico	4,000,000	4,050,000
Philippine Islands	.....	.....
Total	268,297,346	233,980,319
Cigarettes:		
United States	79,183,506,062	78,404,021,678
Porto Rico	645,820	14,171,000
Philippine Islands	2,057,960	1,650,643
Total	79,186,209,842	78,419,843,321
Large Cigarettes:		
United States	6,418,411	4,283,514
Porto Rico	2,104,000	1,600,000
Philippine Islands	.....	5,200
Total	8,522,411	5,888,714
Snuff (pounds):		
All United States	26,997,482	26,373,553
Tobacco, mfd., (pounds):		
United States	222,510,849	214,202,297
Philippine Islands	1,500	1,243
Total	222,512,349	214,203,540

UNION TOBACCO COMPANY REPORTS

REPORT of Union Tobacco Company for year ended December 31, 1930, shows loss after expenses and interest of $8716. After giving effect to profit and loss credits and debits, including $375,031 loss on sale of securities, the deficit for the year was $126,409.

Income and profit and loss account for 1930 follows: Income from dividends and interest $60,813; expenses, interest and miscellaneous deductions $69,529; loss, $8716; profit and loss debits, including $375,031 loss on sale of securities $431,289; total loss $440,005; deduct following profit and loss credits: revaluation of securities $143,750; other credits, $169,846; deficit for year $126,409.

Balance sheet of Union Tobacco Company as of December 31, 1930, follows: Assets: Investments in stocks of other companies at cost (approximate market value December 31, 1930, $1,663,784 and pledged to secure note payable) $9,595,761; obsolete machinery $1; office furniture and fixtures, less depreciation $762; subscription to 10,000 shares of preferred stock of North Virginia Corporation, $1,000,000; cash $86,667; accounts receivable, less reserve for doubtful accounts $621; total, $10,633,812.

Liabilities: seven per cent. preferred stock, $4,000,000; Class A stock (represented by 172,596 no-par shares), $4,314,900; common stock (represented by 763,716 no-par shares), $763,716; note payable, $400,000; accounts payable $1012; accrued underwriting fee, $14,583; reserve for contingencies, $112,538; reserve for outstanding coupons of United Profit Sharing Corporation, $2520; reserve for United Profit Sharing Corporation coupons outstanding, payable in common stock $10,027; United Profit Sharing Corporation, payable in common stock, $151; preferred stock subscription, $1,000,000; surplus, including excess of amount received for capital stock over declared value thereof, $14,365; total, $10,633,812.

PHILIPPINE RADIOGRAM

The Manila tobacco market during February was firm. The larger part of tobacco exports were absorbed by Spain and Japan. Exports for the month totaled 6,929,058 pounds distributed as follows: Spain, 4,803,823; Japan, 1,124,346; North Africa, 595,242; United States, 233,688; North Europe, 81,570; Hong Kong, 33,069; China, 17,637; Uruguay, 30,864; and other countries, 8819. Exports of cigars to the United States improved over January but were three million under February, 1930. The amount was 10,920,000. Reports from the tobacco growing districts of Camayan and Isabela indicate the need of rain for the late plantings. (Trade Commissioner Rohrer.)

PHILIP MORRIS EARNINGS INCREASE

Philip Morris Consolidated, Incorporated, reports for 1930 net income of $165,578 after expenses and taxes, equal after dividend requirements on 56,700 shares of 7 per cent. Class A stock, to seven cents a share on 965,057 shares of common stock. This compares with $124,759, or one cent a share on 964,967 shares, earned in 1929; after allowing for dividends on 64,087 Class A shares.

Philip Morris & Company, Incorporated, is the chief stockholder in Philip Morris & Company, Limited, and the Continental Tobacco Company, Incorporated.

FEBRUARY CIGAR PRODUCTION DECLINES

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of February, 1931, and are issued by the Bureau. (Figures for February, 1931, are subject to revision until published in the annual report):

Products	*Feb., 1930*	*Feb., 1931*
Cigars (large):		
Class A.....No.	266,916,650	232,113,080
Class B.....No.	27,505,107	27,382,327
Class C.....No.	124,105,694	96,559,278
Class D.....No.	7,129,546	6,198,544
Class E.....No.	864,776	585,518
Total.....	426,521,773	362,838,747
Cigars (small).....No.	34,165,013	25,455,507
Cigarettes (large).....No.	653,039	350,101
Cigarettes (small).....No.	8,465,005,417	8,836,067,903
Snuff, manufactured...lbs.	3,356,464	3,400,814
Tobacco, manufactured.lbs.	26,951,993	26,161,164

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of February.

Products	*Feb., 1930*	*Feb., 1931*
Cigars (large):		
Class A.....No.	10,668,950	16,463,905
Class B.....No.	271,850	182,500
Class C.....No.	1,253,050	465,440
Class D.....No.	.....	2,100
Class E.....No.	.....	500
Total.....	12,193,850	17,114,445
Cigars (small).....No.	.....	1,000,000
Cigarettes (large).....No.	202,000	100,000
Cigarettes (small).....No.	80,000	1,000,000

Tax-paid products from the Philippine Islands for the month of February:

Products	*Feb., 1930*	*Feb., 1931*
Cigars (large):		
Class A.....No.	12,126,680	9,717,305
Class B.....No.	158,123	73,837
Class C.....No.	57,456	68,672
Class D.....No.	500	.....
Class E.....No.	5,100	.....
Total.....	12,347,859	9,859,814
Cigarettes (large).....No.	.....	100
Cigarettes (small).....No.	164,870	43,550
Tobacco, manufactured.lbs.	133	75

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the February Statement of Internal Revenue Collections

Objects of Taxation	*First eight months Fiscal year 1930*	*1931*
Tobacco manufactures:		
Cigars	$14,917,419.08	$12,400,912.16
Cigarettes	237,603,799.81	235,257,484.84
Snuff	4,859,546.94	4,747,239.44
Tobacco, chewing and smoking	40,056,943.88	38,562,283.04

© P. Lorillard Co., Inc.

A TELEGRAM TELLS IT

OLD GOLD has beaten Every other Cigarette in Public *taste-tests.* A telegram tells The whole story . . .

OLD GOLD SMOOTHEST THROAT-EASIEST. STOP. SALES STILL CLIMBING AND WON'T STOP

OLD GOLD CIGARETTES NOT A COUGH IN A CARLOAD

JAVA WRAPPED

Rich Java leaf—the finest wrapper obtainable! That's the secret of La Palina's blend and one of the major reasons for its million-a-day popularity. To become America's largest selling high-grade cigar was not a mere "lucky break." La Palina "has the stuff"—not only for the smoker but for the dealer as well. Stock La Palinas—display them—and watch them move!

SEALED IN CELLOPHANE

LA PALINA

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

CONGRESS CIGAR CO., INC., PHILA., PA.

"BEST OF THE BEST"

OPTIMO CIGARS VERY MILD VERY MILD

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

gency Committee for Employment, according to Colonel Arthur Woods, chairman.

Although industry is accelerating slowly, Colonel Woods said, "there is a widespread and maintained disposition for employment conditions to improve."

The advent of spring weather is expected to bring with it expanding employment and officials in Washington are confident that the worst of the depression has been passed.

Drafting of Labor During War Opposed

Legislation minimizing profits in wartime by "freezing" all prices at prewar levels, recommended by Bernard Baruch, head of the War Industries Board during the World War, to the War Policies Commission, now holding hearings on the reduction of the cost of war, has aroused a great deal of opposition among other prominent men appearing before the Commission.

Little preparatory legislation which would fit the situation when an emergency arose can be enacted during peace time, according to Newton D. Baker, Secretary of War during the Wilson administration. The suggestion was also opposed by Dr. Leonard P. Ayres, chief statistician of the War Industries Board during the war, who declared that price fixing should be resorted to only when the prices of necessary commodities have risen too high, and then only by joint action of the Government and the industry and not by the former alone.

The drafting of manufacturing plants and other facilities in time of war was opposed by Brigadier General Palmer E. Pierce, former member of the War Industries Board, who declared there should be as little disturbance as possible of peacetime conditions.

"The theory has been advanced that the burdens of war would be equalized and all profiteering prevented if there were drafted in time of war not only all the man power but also the wealth and material resources of the country," General Pierce said. "An attempt to draft the wealth and industries of the United States in time of war would probably prove disastrous. The change from private to governmental possession and operation of industries would cause great confusion and resulting delay. The loss of private initiative would produce inefficiency.

"In order to get the best results and suppress excessive profits, the Government should regulate instead of draft labor, capital and industry. Industry and capital should remain in the control of those trained and accustomed to exercise such control in time of peace. A draft of all these agencies would produce changes of conditions not in harmony with the characteristics and customs of our people. The power to draft should be ever present and the President should not hesitate to use it in extreme cases of defiance or of failure to co-operate."

Foreign Trade Hits Low Level

Foreign trade of the United States is now at the lowest level of many years, showing fully the effect of world depression, the value of our export trade having declined 50 per cent. since the stock market crash in October, 1929, it is shown by figures just compiled by the Department of Commerce.

WAGNER BRANDS ENJOYING SALE

JOHN WAGNER & SON, Dock Street distributors of high-grade cigars, report a steady sale and an excellent volume of business being enjoyed on practically all of the brands they carry. Among those mentioned as being particularly active at this time were the "Arango y Arango," "Monticello," their own private brand packed in an octagonal upright solid cedar box, "Garcia & Vega," "Carl Upmann" and "Pall Mall."

The recent campaign put on here by the American Cigar Company, offering a box of various sizes of "Pall Mall" cigars to a selected list at one-half the regular price, met with a tremendous response from smokers, and some excellent new business on this brand has resulted.

February exports were valued at $226,000,000, the department reports, a decline of more than $23,500,000 from the previous month and nearly $123,000,000 under the total of $348,852,000 recorded for February, 1930, the lowest figure for any month since May, 1924. Imports for the month were valued at $175,000,000, a decline of slightly more than $8,000,000 from the January total and nearly $107,000,000 under the $281,707,000 reported for February of last year, touching the lowest point reached in any month since December, 1915.

The department's figures, however, show that exports and imports continue to maintain their usual relative proportions, the month's transactions showing a balance of trade of $51,000,000 in favor of the United States.

January Unemployment Figures High

Approximately 8,000,000 persons were without salaries or wages during the later half of January through no fault of their own, it is estimated on the basis of an unemployment survey of nineteen large cities just completed by the Census Bureau as a check against the unemployment census made last April.

The latest count indicates that the number of persons unemployed more than doubled after April, 1930. On the basis of conditions in the nineteen cities, approximately 6,050,000 persons were estimated as entirely out of work with another 1,900,000 or more having jobs but laid off without pay—to all intents and purposes unemployed.

The cold figures controvert the administration's oft-repeated claim that the 1930 unemployment was not as bad as that of 1921, when it was estimated 5,000,000 to 6,000,000 persons were unemployed. Despite the efforts of the President's Emergency Committee for Employment, the roll of jobless has steadily increased, although in recent weeks there has been some improvement, due largely to seasonal conditions.

"This special census of the unemployed was undertaken during the month when unemployment normally reaches a seasonal peak, and also at the time we believe represents the highest point of abnormal unemployment due to the effects of the world-wide business depression," it was explained by Secretary of Commerce Lamont. Unemployment, he admitted, had increased 149 per cent. from last April.

COULD NOT HUNDREDS OF PEOPLE MAKE A REAL HIT AS RADIO ANNOUNCERS?

OREST E. BOONE, tobacco auctioneer of Lexington, Ky., cast in the past five "Lucky Strike" radio hours, has made such a hit in his radio debut that he is being held over until Saturday night for two additional appearances, although he had never been near a microphone until about ten days ago.

The American Tobacco Company wanted to explain the origin of its phrase "the cream of the crop" and so it was decided to imitate the scene at a tobacco auction where the auctioneer has just sold several harvests which in the opinion of the farmer were "the cream of the crop." Mr. Boone, who is one of the South's greatest auctioneers, was brought to New York. He tried for four days to teach several announcers, an actor or two and finally a circus barker, the peculiar sing-song rhythm of the auctioneer. None, however, satisfied the teacher from Kentucky or George W. Hill, "Lucky Strike's" president.

As a last resort Boone himself stepped before the microphone and rattled off the high-speed chatter of the auction salesman.

His debut seemed to prove not only that tobacco auctioneers are born and not made but that amateurs, if given a chance, can make a real hit as radio announcers. Boone showed every bit of the self-possession and assurance that marked the performances of veteran announcers. He was not a bit upset by the presence of B. A. Rolfe and his "Lucky Strike" radio orchestra, which is the largest broadcasting organization of its kind on the air today. Neither was he affected by the fact that everything in a radio studio must go off with clock-like precision and that human beings must adjust their voices to the mechanical operation of switches and push buttons.

This is all the more unusual because he had never been to New York before, and had never been even near a microphone. Boone's success raises the question that given the chance, could not hundreds of people make a real hit as radio announcers?

Radio listeners seeking the thrill that comes with bringing in a distant station have found the distinctive and easily recognized music of the "Lucky Strike" Dance Orchestra a great aid. Choosing the period during which this program with its characteristic tempo is on the air, they "log" as many stations as they can tune in from the national network broadcasting it.

According to the letters which pour into the offices of the sponsors, these listeners have chosen the "Lucky Strike" music, because they say its tempo is so individual that they immediately recognize it and don't have to wait for the station announcer to tell them who is playing.

Thousands of these fan letters request verification of their distance records, and as the "Lucky Strike" program goes out over a nation-wide network, it is possible for listeners in all parts of the country to try for the same program from stations thousands of miles away. KFI in Los Angeles is one of the favorite broadcasting stations on the West coast, with Eastern listeners. Letters from farm boys in Pennsylvania, school teachers in Vermont, cotton planters in the South, and clerks in the heart of Manhattan, poured in recently when an apparently ideal night for reception brought this distant station in clearly. So that with the "Lucky Strike" Orchestra playing at their very doorstep they had heard its program broadcast from a station hundreds or thousands of miles away. Letters from the West, asking "Lucky Strike" for Eastern verification are just as common.

ZENO PRONOUNCES 1930 PORTO RICAN CROP EXCELLENT

To the Tobacco Dealers and Cigar Manufacturers of the United States:

Gentlemen:

THE 1931 Porto Rican tobacco crop will be ready for sale about May 31st, 1931. This year's crop is excellent; of very close grade and quality to the Cuban tobacco much used by American cigar manufacturers in blending the American grades. By purchasing their supplies in Porto Rico, American buyers seeking this grade of tobacco, will find, without loss in quality, a real saving in price.

Porto Rican tobacco, in addition to being very similar to the well-known Havana grade—not produced in any other United States territory—and so widely used in the United States and sold at materially lower prices than that in Cuba, offers the additional advantage of being the product of American soil and thus enters the Continental States duty free.

The crop is not yet in the hands of the local jobbers; and it is for this reason that we, the Commission for the Protection of Porto Rican Tobacco, an integral part of the Government of Porto Rico, are just now offering you our co-operation in arranging for your purchases at this most advantageous time, buying direct from the growers and thus avoiding profit paying to the jobbers. It is one of the special functions of our Commission to make contact between growers and buyers for their mutual advantage, a service which is provided without cost by the Government of Porto Rico.

Another bit of information which may meet with the needs of some of the American firms: There are scattered throughout the tobacco producing areas of the island many adequately constructed buildings which may be used for warehouses or as stripping plants. They may be very reasonably rented, and the work of stripping, if done in Porto Rico, will result in still another saving as there is here abundant trained labor which can be had at wages materially lower than paid for that same work in the Continental States. Stripping in Porto Rico will result in a double economy in wages and in transportation charges.

Let us remind you again that the Commission for the Protection of Porto Rican Tobacco is a part of the Government of Porto Rico, and that if we can be of service to you in arranging for the purchase of some of this new crop or in supplying information concerning any phase of the tobacco industry, we shall be glad to have you write us concerning your desires, and a prompt attention will be given to your inquiry.

Hoping to hear from you soon, remain,

Very respectfully yours,

COMMISSION FOR THE PROTECTION
OF PORTO RICAN TOBACCO.

By: (signed) F. M. ZENO,
Chief Executive.

PARK & TILFORD

Park & Tilford and subsidiaries report net profit for 1930 of $124,562, equivalent to fifty-seven cents a share, as compared with $1,001,129, or $4.72 a share in 1929.

TWENTY-FIVE YEARS AGO

In its column, "Twenty-Five Years Ago," the Public Ledger last week stated that the first smoking car ever reserved for women in Great Britain left London for Liverpool.

EDUCATORS URGE BREVITY IN RADIO ANNOUNCEMENTS

NO longer will radio audiences be bored by advertising "blah" if distinguished educators, including a college president, professors of English, and a couple of deans, have their way.

"Blah"—the description applied to long-winded commercial announcements by Prof. Philip W. L. Cox of the New York University School of Education,—drives away more listeners than it makes customers, a number of these gentlemen warned broadcasters.

Word that the American Cigar Company was about to put Arthur Pryor's "Cremo" Military Band on the air with all advertising talk cut to the bone brought responses from members of college faculties in New York, Chicago, and as far away as the Pacific Coast.

Included among these were: William Ellery Leonard, Professor of English, University of Wisconsin; Frederick B. Robinson, President, College of the City of New York; A. C. Baugh, Professor of English, University of Pennsylvania; George A. Barton, Professor of Languages and Literature, University of Pennsylvania; J. S. P. Tatlock, Professor of English, University of California; William H. Spencer, Dean of School of Commerce and Administration, University of Chicago; S. J. Coon, Dean, College of Business, University of Washington; Philip W. L. Cox, Professor of Secondary Education, New York University; Emory R. Johnson, Dean of the Wharton School of Finance and Commerce, University of Pennsylvania, and Clarence S. Marsh, Dean of the University of Buffalo School of Business Administration.

"You will make patrons for your hour by uninterrupted programs and for your article by brevity at the strategic moments," the comment of Prof. William Ellery Leonard, noted author and poet, Professor of English at the University of Wisconsin, was typical of the favorable reaction of the educators.

Twenty words of advertising before, and twenty words after the radio concert by Arthur Pryor's "Cremo" Military Band constitute the entire amount of advertising that will go wtih the broadcast, to be sent out over the Columbia system every night except Sunday, beginning March 16th, by the makers of "Cremo" cigars. It is "the lowest price of admission on the air," the sponsors proclaim.

"Twenty carefully selected words are far more effective than two hundred words of blah," wrote Professor Cox. The New York University educator added his congratulations on this "enlightened and shrewd innovation."

Demonstrating that twenty words is ample in which to express a thought clearly, most of the professors got their telegraphic replies into this space. The announcement brought one twenty-word telegram in verse—from Professor George A. Barton of the University of Pennsylvania:

> "The soul of wit, brevity,
> Delivers one from levity.
> He who in trade
> Evokes its aid
> Assures his business longevity."

"Clean-cut, well-expressed announcements reduce that harsh contrast with the music or whatever follows which disinclines many to listen to either," was the contribution of J. S. P. Tatlock, Professor of English at the University of California.

Professors in business schools more in touch with trends in advertising, also thought highly of the plan for business as well as æsthetic reasons. President Robinson of the College of the City of New York, a noted economist, called "reduction of radio advertising commendable," adding some good advice on broadcast programs in general.

Dean William H. Spencer of the University of Chicago School of Commerce and Administration wired: "I congratulate you on your courageous move. I sincerely hope others will follow your lead."

Dean Emory R. Johnson of the Wharton School of Finance and Commerce, University of Pennsylvania, said he was certain the "Cremo" twenty-word limit "will be appreciated by those who are served by the radio," and Dean S. J. Coon of the College of Business, University of Washington, said: "The advertising will be more effective because more of the public will tolerate it."

"Hearty congratulations," wired Dean Clarence S. Marsh of the University of Buffalo School of Business Administration, "on 'Cremo' cigars' appreciation of radio public's pleasure. Verbosity of radio announcers very tiresome. All will appreciate the courtesy implied in brief announcement and the brains necessary to do that sort of thing effectively."

"OLD GOLD" SUGGESTS A PARTY

IN AN announcement being mailed to the P. Lorillard Company, they suggest giving your friends a party they will never forget. It's a new idea that's all the rage at smart parties.

And, it's very easy to arrange. On the inside of the printed wrapper of an "Old Gold" package, print the full name and date of birth—day, month and year—a separate wrapper for each guest. Print the information plainly and be sure to give your return address, and mail these to Lorna Fantin, c/o Old Gold Party Division, 119 West Fortieth Street, New York City.

Lorna Fantin will mail her analyses to you in a sealed envelope—absolutely free. After allowing ample time for the analyses, which may take ten days, you can then give a party and surprise the guests by reading each one's future.

TOBACCO BURNING THEORY UPSET

In a series of experiments at the University of Wisconsin, by horticulturists, sixty samples of tobaccos were burned and the results upset previous theories regarding their burning qualities.

The test was conducted by William B. Ogden, instructor, and Franklin S. Kenika, assistant. As a result they were satisfied that leaf thickness has nothing to do with longer burning.

Despite its northern location, Wisconsin is one of the important States in production of cigar tobacco.

Dealers in leaf tobacco previously believed that thinner leaves are grown in the northern than in the southern tobacco sections in Wisconsin, and that the thinner leaves burned longer.

The tests proved this belief in error. Instead, they found that the better burn cannot be associated with any difference in leaf thickness, but is due to some other factor which they hope to learn by further tests.

CONSOLIDATED REDUCES CAPITAL

The New York Stock Exchange has received a notice from the Consolidated Cigar Corporation of a proposed reduction in authorized preferred stock by 5925 shares and reduction in capital represented by preferred stock and prior preferred stock already retired by $917,069.

NETHERLANDS TOBACCO TAX RETURNS FOR 1930

FROM a statement of the Netherlands Government revenues it appears that the tax on tobacco produced almost Florins twenty-nine millions for the Treasury in 1930, according to a report received in the Tobacco Division of the Department of Commerce from Commercial Attache Jesse F. Van Wickel. As a matter of fact the tobacco tax has gradually become a very important source of revenue. Compared with other revenues, tobacco produced Florins 7 millions more than land; 13½ millions more than property; 8½ millions more than dividend and bonus tax; 17½ more than abbatoir excise; 13 more than beer; and 4 millions more than stamp duties. In 1930 tobacco tax returns exceeded those of 1929 by 9 per cent. The amount spent in 1930 on tobacco products is placed at about Florins 188 millions or about Florins 23 per capita. The value of the Florin is equal to 40.2 cents United States currency.

Shipments of Sumatra tobacco of the 1930 crop began to arrive in Amsterdam during January and according to latest figures available, arrivals amounted to 15,613 bales. The bulk of the crop, however, reaches the market during February, March and April.

According to the trade, interviewed by Consul General Charles L. Hoover, the tobaccos received during January were mostly sand leaf and sand leaf shoots so there is very little tobacco in the lot suitable for American grades.

Consul General Hoover's report made public by the Tobacco Division, Department of Commerce, confirms reports which have been circulated to the effect that the leaves of the 1930 crop were poorly developed and few in number per stalk, inasmuch as authorities on Sumatra tobacco interviewed, agree that much of the tobacco arriving during January is of unsatisfactory quality. It is also reported that the shipments, which are considered to be the best of the crop, contain only a very small proportion of the fancy qualities.

While it was impossible to determine exactly the quality of all shipments, it is stated in the trade that information available tends to confirm the conclusion that the 1930 crop is inferior even to that of 1929, when the quality was below normal although the leaf development was good. It is stated that one lot of 1438 bales, which arrived in January, shows that only forty bales are of full leaf seconds and seventy-five bales are of full leaf thirds, the other bales being of lower quality.

MENGEL COMPANY EARNINGS

Preliminary report of the Mengel Company and subsidiaries for the year ended December 31, 1930, shows net loss, after interest, depreciation and inventory adjustments of $405,130.

This compares with profit of $1,248,172 in 1929, equivalent after dividend requirements on 7 per cent. preferred stock at $3.16 a share on 320,000 shares no-par common stock.

U. S. TOBACCO INCREASES DIVIDEND

Directors of the United States Tobacco Company have declared a quarterly dividend of $1.10 on the common and the regular quarterly dividend of $1.75 on the preferred stock of the company, payable April 1st to stockholders of record March 16th. This dividend places the common stock on an annual basis of $4.40, while the previous annual rate has been $4.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

STRIPPER FOREMAN—FOR MANY YEARS WITH ONE OF of the largest concerns, desires position. Address Box No. 557, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

P. R. AMERICAN EARNINGS

The Porto Rican-American Tobacco Company and subsidiaries report 1930 net earnings of $883,796, including its proportionate share of Congress Cigar Company earnings, equivalent to eighty-five cents a share on the Class B stock, as compared with $1,645,927, or $4.68 a share on the Class B in 1929.

PERU TOBACCO LOAN

J. and W. Seligman & Company announce the receipt of the entire amount required for interest and sinking fund payments due March 1, 1931, on Republic of Peru 7 per cent. sinking fund gold bonds, due 1959 (the tobacco loan).

JESSE BLOCH NOMINATED

(*Continued from Page 3*)

his representation of the Tobacco Industry on that Board will reflect untold credit to our industry.

"Thus, we respectfully urge that every member of the Tobacco Industry who is connected with any of the Commerce Chambers or Trade Organizations affiliated with the U. S. Chamber of Commerce, should immediately direct the attention of his Organization to the candidacy of Mr. Jesse A. Bloch as a Director of the U. S. Chamber, with his recommendation that the National Councillors of the respective Organizations be requested to cast their votes for Mr. Bloch.

"We would, of course, appreciate being advised of any action taken in this matter as well as of any responses received in connection therewith."

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

PLEASANTDAY:—45,864. For cigars, little cigars, cigarettes and tobacco. March 6, 1931. I. Jacobs, New York, N. Y.

STRAUS' NUMBER 9:—45,863. For all tobacco products. March 13, 1931. The Henry Straus Co., Inc., Cincinnati, Ohio. (This certificate is issued upon presentation made to us that the trade-mark or trade-name herein specified, though apparently not heretofore registered in any of our Affiliated Bureaus, has been in use by the registrant for more than twenty-five years.)

TRANSFERS

TOWN AND COUNTRY SMOKING MIXTURE:—45,715 (T. M. A.). For pipe tobacco. Registered May 7, 1930, by Rudolph Ludwig, New York, N. Y. Transferred to Nicholas Company, Ltd., New York, N. Y., March 9, 1931.

AUCTIONS OF THE 1930 JAVA TOBACCO CROP

The first auction of Java tobacco of the 1930 crop was held in Amsterdam on January sixteenth, and the second was held in Rotterdam on January twenty-second. A report by Consul General Charles L. Hoover, released by the Tobacco Division, Department of Commerce, advises that the offering consisted mostly of the first pluckings of Besoeki leaf, and, with the exception of a few small lots, the entire quantity was bought for the account of the Belgian factories. The prices ranged from 16 to 18 guilder cents ($0.0640 to $0.0720) per half-kilo (1.1 pounds avoirdupois). It is reported that the scarcity and the market position of heavy American tobacco led to the heavy purchases of Besoeki tobacco for Belgian account.

Certain quantities of 1929 Kedoe filler tobacco of good color and taste were offered, but most of the lot from this region was of such inferior color and taste as to awaken little enthusiasm among the buyers. Offerings of really good, bright pipe tobacco was entirely lacking. However, a few lots of 1930 Banjoemas and Kedoe tobacco which were sold were riper and browner than the 1929 crop and this aroused hope that the new Java crop, which is to be sold at the later auctions will be generally of higher quality than that of last year.

SNUFF FROM THE AZORES

Declared export returns for 1930 from St. Michael's, Azores, record the shipment of 1284 pounds of snuff to the United States. The value was $985.

During 1929 there was shipped 2124 pounds of snuff, valued at $1072, and 239 pounds of tobacco valued at $138, according to Consul William H. Hunt.

SCHULTE REAL ESTATE COMPANY

Schulte Real Estate Company and subsidiaries report for 1930 net profit of $158,888, against $1,087,940 in 1929.

LORILLARD ELECTION ASSAILED

THE P. Lorillard Company, Jersey City, N. J., was directed by Justice A. Campbell on Monday to show cause before the Supreme Court, May 5th, at Trenton, N. J., why its March 10th election of directors should not be set aside and a new election held.

Eleven Richmond, Va., stockholders, including the firm of Scott & Stringfellow, obtained the order. They charged the March 10th meeting was conducted "unlawfully and irregularly" in that proxies not certified as valid by inspectors of elections were voted.

Inspectors of elections at the meetings, the petitioners asserted, were not properly qualified because holding offices in the company. The petition said one was an assistant auditor and another an assistant controller.

H. Laurence Brooke, chairman, was alleged to have declared a quorum without giving the eleven stockholders an opportunity to examine and check proxies voted by Benjamin L. Belt, William R. Perkins and Brooke. Numerous of the proxies were charged to have been signed by persons other than stockholders of record.

Prior to the election, the stockholders obtained an order from the Court of Chancery restraining the company from acting on a proposed revision of the by-laws to deal with a bonus and stock distribution plan. The Court's order confined the company to act March 10th, only on the election of directors.

The directors elected were William W. Drewry, L. Strother Freeman, George H. Hummel, James J. Keel, Everett Meyer, Alva H. Shinkle, Harry A. Stout, E. Grayson Weymouth, David H. Ball, Earl T. Bush, and Benjamin L. Belt.

MAPLE TREES EARN LARGE DIVIDENDS

Farmers in eastern Canada are eagerly watching the sugar maple groves. Once the sap begins to run it represents not only the return of spring but the commencement of one of Canada's important industries.

Last year the total value of maple sugar and maple syrup produced in Canada was $5,250,620, of which maple sugar accounted for $1,381,513 for 8,208,276 pounds, and syrup returned $3,869,107 for 2,185,379 gallons, according to the Industrial Department of the Canadian National Railways. The Province of Quebec led all Canada in the production of maple sugar and syrup with 7,576,204 pounds of sugar valued at $1,212,193 and 1,538,199 gallons of syrup with a value of $2,399,590. About 50,000 farmers in Quebec are now busy in their maple groves, and there are about 8,000,000 trees being tapped in eastern Canada.

A few years ago it was discovered that maple syrup sprayed on tobacco used for cigarette making added a distinct flavor, and now some of the large American tobacco firms are substantial buyers of Canadian maple syrup.

LEROY PRINTZ DIES

LeRoy Printz, forty-three, of 623 Cherry Street, Norristown, well-known tobacco salesman, passed away at the Montgomery Hospital, early Monday, and inside of one hour after being admitted to the hospital, of heart disease.

He is survived by his widow, one son, and one daughter.

LIBRARY RECEIVED APR 2 1931 U. S. Department of Agriculture

APRIL 15, 1931

VOLUME 51 No. 8

THE TOBACCO WORLD

A TELEGRAM TELLS IT

OLD GOLD has beaten Every other Cigarette in Public *taste-tests.* A telegram tells The whole story . . .

OLD GOLD SMOOTHEST THROAT-EASIEST. STOP. SALES STILL CLIMBING AND WON'T STOP

© P. Lorillard Co., Inc.

OLD GOLD CIGARETTES NOT A COUGH IN A CARLOAD

$10,000 PRIZE SLOGAN CONTEST

Everybody can enter. See newspapers for rules and full details. CONTEST CLOSES MAY 1, 1931.

LA PALINA

JAVA WRAPPED—*The Secret of the Blend*

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST.. PHILA.. PA.

After all nothing satisfies like a good cigar

The Successful Cigar Manufacturers

Of 1931 will be those who charged off all previous happenings to "Business Education", and started the year by abolishing all obsolete forms and practices.

To assure the best condition of your cigars pack them in Wooden Boxes so they will be conditioned properly when the smoker buys them.

Wooden Cigar Boxes help cigars to condition themselves because the porous wood permits the necessary air circulation.

Wooden Boxes also improve the mellowness and flavor by blending with the cigar's aroma the natural fragrance of the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 8

Established 1881

TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary

Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.

Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year | PHILADELPHIA, APRIL 15, 1931 | Foreign $3.50

CIGARETTE PRICE WAR NEAR END

THE two years' price-cutting war on cigarettes came practically to an end last week when popular brands of cigarettes, which have been selling at the rate of two packages for twenty-five cents, were raised to fifteen cents a package, or two packages for twenty-seven cents.

The United Cigar Stores Company announced last week that the new prices would become effective in their stores on Friday, April 10th, and the Schulte Stores made a similar announcement.

Most of the chain grocery stores, news stands and drug stores, which have been selling at low cut prices, will likewise make an upward revision in their prices.

The long-drawn-out and ruthless price-cutting in the retail tobacco trade has caused thousands of failures of small merchants and brought heavy losses to some of the big chains.

H. J. Moffett, vice-president of the United Cigar Stores of America, said that it was impossible to make an accurate estimate of the increase of income to the retail tobacco interests from the increase in price, because the prices had varied widely in different shops and in different sections of the country.

"I understand that nearly all sellers of cigarettes will join in the price advance," he said, "and I believe that it is a long time before there will be another price war of this kind. It is a much chastened industry.

"It is hard to say just how the thing began two years ago. Before that time certificates had been given away as an attraction to customers. The certificates were discontinued and price-cutting came in as a method of attracting customers. Soon there was competition in price-cutting. It was a case of mob psychology running a business."

Mr. Moffett said that the jobbers who had sold cigarettes to independents had been among the greatest sufferers because they had to reduce the prices below the prevailing wholesale levels in order to keep the business of the independents going. Asked if customers would now receive two books of matches with two packs of cigarettes at the 27-cent price, Mr. Moffett said:

"There has been no rule that clerks should give only one book of matches with two packs of cigarettes at the 25-cent price. If that took place it meant that the clerk, realizing the difficulties of the situation, was making strenuous efforts on his own account to effect economies."

Philadelphia chain stores are still displaying the old two-for-twenty-five-cents price, due to the cut-price situation here among the independent retailers. It is hoped that they can be made to see the error of this policy and advance their prices in line with increases made in other sections of the country in the near future.

FISHER AGAIN HEADS NEW YORK LEAF BOARD

AT THE annual meeting of the New York Leaf Tobacco Board of Trade, held on Thursday, April 9th, all the old directors were re-elected to serve another term with the exception of Howard S. Cullman, who declined to accept re-election because of his many other duties, and Percival R. Lowe was elected to fill the vacancy.

The meeting went on record as favoring the candidacy of Jesse A. Bloch, vice-president of the Bloch Brothers Tobacco Company, and president of the Tobacco Merchants Association, for election to the board of directors of the United States Chamber of Commerce.

Mr. Lowe was elected chairman of the entertainment committee which will function during the annual convention of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, which will be held this year in New York City on June 1st and 2d.

Henry Fisher, president, presented his annual report, which was as follows:

"Another year has passed since our annual meeting and while our local board did not have many problems to take care of, the Associated Cigar Manufacturers and Leaf Tobacco Dealers, with whom we are affiliated (since practically all our membership are also members of the A. C. M.) were very active in behalf of our industry, as well as the cigar manufacturers and allied interests.

"Our industry is suffering from the worldwide depression the same as in other lines, cigar consumption is decreasing and really was prior to the depression, and unfortunately no concerted attempt has ever been made to alleviate this condition.

"We, as a local board, are powerless to remedy this condition. We can only make suggestions and hope for the best.

"The fundamental need of our industry is New Smokers! How to get them? Collective Advertising! In my opinion, this cannot be accomplished by advertising that one brand of cigar is less harmful to the nerves than another or that 'spit' is a terrible word.

"One of the first problems undertaken by the A. C. M. (which association previous to last June, was called the National Cigar Leaf Tobacco Association), was to plan a national campaign to boost the sales of cigars; conferences were held which were attended by the largest cigar manufacturers in America, but up to the present time, nothing definite has materialized. However, the A. C. M. are hopeful that eventually something concrete will be carried out.

"I cannot speak too highly of the efforts of the National Body for its work in furthering the interests of the cigar manufacturing business, not only in its advocacy of an advertising campaign, but the able

(Continued on Page 17)

PHILADELPHIA.

WILLIS ANDRUSS RETURNS FROM TRIP

WILLIS ANDRUSS, sales manager of the Congress Cigar Company, returned on Monday after a five weeks' trip through the middle west as far as Kansas City, Omaha, Minneapolis and St. Paul, visiting "La Palina" distributors in all the larger cities enroute.

Mr. Andruss reports a highly satisfactory trip, finding that conditions in that territory are showing a decided improvement and a much more optimistic feeling prevailing throughout.

In some localities Mr. Andruss found that the steady decline which has been going on for the past several months has ceased and a gradual upturn in sales has begun.

The new "Super Pal," the six-cent quality cigar recently launched under the "La Palina" label, has met with a demand far beyond the expectations of the officials of the company, and the company is at present greatly oversold on this size.

Samuel Paley, president of the Congress Cigar Company, left last week for Amsterdam, where he will attend the Java inscriptions and purchase a supply of high-grade leaf for "La Palina" needs. Mrs. Paley accompanied him on the trip.

Mr. Paley started on his trip in a particularly happy frame of mind due to the fact that he is now a grandfather, through the recent arrival of a baby boy at the home of his daughter, Mrs. Leon Levy, the former Blanche Paley. Mrs. Levy is the wife of Dr. Leon Levy, president of the Universal Broadcasting Corporation, which operates Station WCAU in Philadelphia. Mrs. Levy's brother, William Paley, is president of the Columbia Broadcasting System, of which chain WCAU is a unit.

A. & H. DISTRIBUTE "MORNING-NOON & NIGHT"

The A. & H. Trading Corporation, 1018 Filbert Street, have been appointed exclusive distributors for this territory of the "Morning-Noon & Night" cigar, manufactured by A. Siegel & Sons, New York City. This high-grade cigar comes in an attractive wooden package containing 100 cigars wrapped in cellophane in groups of three in a bundle and retails at three for ten cents. The cigar is all long Havana filler and has already been placed in most of the prominent stands in the downtown section and is meeting with a ready demand.

BAYUKS FEELING UPTURN IN BUSINESS

AT BAYUK CIGARS headquarters, Ninth Street and Columbia Avenue, there is an optimistic feeling in regard to business conditions and an increase in the volume of orders coming in is in evidence.

Among recent visitors at the factory was Allen Davis, of the Neudecker Tobacco Company, of Baltimore, where Bayuk brands are enjoying some nice business.

H. E. Johnson, specialty salesman for Bayuk Cigars, Incorporated, is back on the job again, having been absent from his duties for some time due to a sprained back which he received through a fall.

Charles Fox is again hitting on all six after having been laid up with an attack of the flu.

Mr. Fox is contact man between the Bayuk factory and their branch units.

B. W. Burnside is getting in some very good specialty sales work in the Johnstown-Altoona district, where Bayuk brands are enjoying a marked demand and are distributed by W. Strauss and Company.

Joseph L. Simms, Bayuk's specialty man working through Indiana, is further increasing the active demand for Bayuk cigars in the Fort Wayne territory through the work he is doing with the sales organization of the jobber in that territory.

The "Charles Thomson" perfecto, Bayuk's new size retailing at five cents, is showing a great deal of life in the San Francisco market, where it is sold through Bayuk's distributor, Ehrman Brothers, Horn & Company.

UPMANN OFFICIALS VISIT

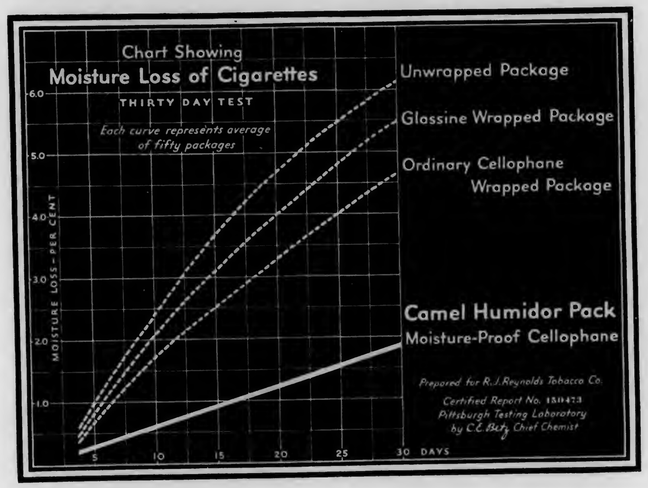
F. W. Summerfield, president, and A. Reichert, treasurer, of Carl Upmann, Incorporated, were visitors last week at the distributing headquarters of John Wagner & Sons, Dock Street. John Wagner & Sons are distributors of the "Carl Upmann" cigar for this territory, and Ben Lumley, local representative, reports a steadily increasing demand for this high quality brand. The factory of Carl Upmann, Incorporated, is located in Miami, Fla., and a New York City office is maintained at 406 East Fifty-ninth Street.

John Wagner & Sons also report a fine demand for the "Garcia & Vega" brand.

George W. Stocking, representative of Arango y Arango, Tampa manufacturers, is expected to arrive in Philadelphia on Wednesday on his way east from Chicago.

Smoke a FRESH Cigarette!

Cigarettes in prime condition have a moisture content of about 10%. It will be seen by the Pittsburgh Testing Laboratory Chart that cigarettes in the ordinary wrapped package lose more than half of their total moisture in thirty days and that only the Camel Humidor Pack delivers cigarettes to you in prime condition



THE whole country is talking about the throat-easy mildness and the prime freshness of Camel Cigarettes in the new Humidor Pack.

The above chart prepared by the Pittsburgh Testing Laboratory tells you why.

Please examine it carefully. It is an unfailing guide to cigarette selection and enjoyment.

As you can quickly see by the three upper curves on this interesting chart, cigarettes that lack the protection of the Humidor Pack lose their moisture rapidly from the day they are manufactured. And day by day as this moisture disappears, the smoke from these cigarettes becomes *harsher, hotter, more unkind to the smoker's throat.*

Not so with Camels!

The Humidor Pack is moisture proof and sealed air-tight at every point. It protects the rich, flavorful aroma of the choice Turkish and Domestic tobaccos of which Camels are blended.

Make these tests yourself

It is so easy to tell the difference between parched dry cigarettes and fresh prime Camels that it is no wonder everybody is reaching for a *fresh* cigarette today.

Your fingers identify stale, dried-out tobaccos at once. While a Camel is flexible and pliant.

Your ears can tell the difference too. For a dust-dry cigarette crackles under pressure.

But the real test is taste and there is simply no comparison between the rich mildness of a Camel and the hot, brackish smoke from a stale, dry cigarette.

Switch to Camels just for today then leave them tomorrow if you can.

R. J. REYNOLDS TOBACCO COMPANY
Winston-Salem, N. C.

CAMELS

Artificial heat in houses and apartments soon dries the moisture out of cigarettes wrapped the old fashioned way. It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton—this cigarette will remain fresh in your home and office.

© 1931, R. J. Reynolds Tobacco Company

"LA PALINA" ADVERTISING CAMPAIGN FEATURES BIG NEW SLOGAN CONTEST

THE most recent large national advertiser to feature a contest as the basis of an advertising campaign is the Congress Cigar Company of Philadelphia, makers of "La Palina" cigars.

More than fifty prizes, totaling $10,000 in cash, will be awarded to the writers of the best new slogans for "La Palina" cigars. The grand prize is $5000; second prize, $1000 and third prize, $500. There are fifty other special prizes of $100 and $50, and in case of ties, full amount of the prize will be given to the tying contestants.

Everyone is eligible to enter the "La Palina" contest. The rules are so simple and easy that the Congress Cigar Company expects to receive hundreds of thousands of entries. Contestants are permitted to submit as many slogans as they wish, but each slogan and essay must be written on one side of a single sheet of paper and the name and address of the contestant must appear on it. Each slogan must be accompanied by an essay of not more than twenty-five words telling why the contestant believes it to be a good slogan.

The contest is open to everybody except members of the Congress Cigar Company and their families. It is not necessary to buy or smoke a "La Palina" to enter the contest, but each entry must bear a postmark not later than midnight, May 1, 1931. Winning slogans become the property of the Congress Cigar Company upon payment of the prize money and they will be announced in later advertisements of the spring campaign.

The judges who have been appointed to select the winning slogans are three of the most widely known publicists in the country—Mr. Bernard Lichtenberg, vice-president of the Alexander Hamilton Institute and former president of the Association of National Advertisers; Mr. Lowell Thomas, famous war correspondent, lecturer and radio broadcaster; and Mr. H. V. Kaltenborn, noted editor and author.

Dealers are now ordering fresh supplies of "La Palina" cigars in anticipation of the tremendous demand expected as a result of the new spring newspaper advertising campaign. Officials of the Congress Cigar Company predict it will be the most successful advertising campaign in the history of the company.

GENERAL CIGAR IN GOOD POSITION

In a recent issue the *Wall Street Journal* states the General Cigar Company made a good showing last year, reporting net equal to $6.03 a share despite a reduction of 11 per cent. in its output from 1929. These results were made possible because of the company's policy of manufacturing low-priced cigars by machinery, permitting a lowering of costs during the period of smaller sales.

In the past seven years earnings of General Cigar on the present capitalization averaged $6.53 a share, of which approximately 65 per cent. was paid out in dividends.

Since 1927 the annual dividend rate has been $4 a share. General is in a strong financial position, with the current asset ratio better than 16 to 1. Its cash alone is about twice the total current liabilities.

PENLO CIGAR COMPANY CHARTERED

The Penlo Cigar Company, Incorporated, has been chartered here for $125,000 by Robert E. Pent for the manufacture and sale of cigars, tobacco products, etc.

AUTOKRAFT BOX PLANT MOVES

THE Autokraft Box Corporation, which formerly maintained a branch factory at Randolph and Jefferson Streets, this city, announces that the plant is now located at the northeast corner of Water and Porter Streets, where they are now comfortably installed in a new and more modern manufacturing building.

The Autokraft plant occupies thirty thousand square feet of space on one floor in a new three-story building, and this amount of space, all on one floor, will permit of straight line production with facilitating devices representing the latest developments in automatic cigar box manufacturing machinery.

The fabricating machinery will be electrically connected and automatically controlled, thus assuring an article of highest quality at a low production cost, and a flexibility of production which guarantees prompt and efficient service to the customer even under unusual conditions.

Included in the new plant is a covered railroad siding three hundred feet long with a capacity of twelve cars, which assures protection to all incoming raw materials as well as protection of all finished products shipped out of the plant.

The home office of the Autokraft Box Corporation is 704 Old National City Building, Lima, Ohio.

"ROYALIST" BRAND ENTHUSIASTICALLY RECEIVED

The "Royalist" cigar, recently placed on the market in Philadelphia by Grabosky Brothers, Incorporated, has been enthusiastically received by both the retailer and the consumer, and many complimentary remarks have been heard among the consumers who have tried this new brand.

Louis and Ted Grabosky are contacting the trade as well as directing the sales efforts of William Shulman, who covers the western Philadelphia territory; J. Goldstein, who covers the southern section, and David Grabosky, who covers the central section.

The cigar is well placed throughout the city and a highly satisfactory demand is rapidly being developed. Although the cigar has been on the market only a very short time, repeat orders are being received at the factory headquarters, 21 North Second Street, in splendid volume, and the "Royalist" has all the earmarks of being a "natural." The "Royalist" is made in six popular sizes to retail at from ten cents each up to three for fifty cents.

CLUBROOM FOR MAZER-CRESSMAN STAFF

Consistent with the policy of the Mazer-Cressman Cigar Company of looking after the comfort and welfare of its employees, attractive club rooms for the staff at 1711 Vine Street, on the upper floors of the building occupied by the Philadelphia branch of that company, where social gatherings will be held from time to time.

A splendid dance floor has been laid, and a specially designed radio has been donated by Secretary and Treasurer Jacob Mazer, while Vice-President Charles M. Cressman has donated a piano.

The first gathering in the new club rooms was held on April 11th, when members of the Philadelphia office staff and their wives and families met there to enjoy the annual banquet of the Philadelphia organization. Needless to say, a splendid time was had by all.

SUNSHINE MELLOWS Heat Purifies

LUCKIES are always kind to your throat

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED"—an extra, secret heating process. Harsh irritants present in all raw tobaccos are expelled by "TOASTING." These irritants are sold to others. They are not present in your LUCKY STRIKE. No wonder LUCKIES are always kind to your throat.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

"It's toasted"

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

A STRONG protest against the heavy taxes on American cigarettes and tobaccos imported into Cuba, declared to be a virtual embargo, has been filed with the State Department by Charles Dushkind, counsel for the Tobacco Merchants Association of the United States.

Pointing out that Cuba, under the 1930 tariff act, won her fight for repeal of the sixty-year-old statute prohibiting the importation into the United States of cigars or cigarettes in packages of less than 3000, the appeal to the Department pointed out that there is no longer any excuse for the prohibitive duties which Cuba imposes and which, because of the comparatively small amount of American tobacco products imported, cannot be considered as a revenue measure. As a result of the excessive duties, it was declared, the price of a package of cigarettes which sells here for fifteen cents or less in Cuba is seventy-five cents.

The American tobacco manufacturers, said Mr. Dushkind, have every reason to be intensely aggrieved over the situation, particularly in view of the fact that the tobacco industry in the United States is importing from Cuba both manufactured and raw tobacco, amounting in the neighborhood of $26,000,000 a year, whereas Cuba's imports of American tobaccos, including cigarettes, amount to only about $250,000 a year.

While the volume of business thus involved is rather small, yet the situation is extremely aggravating, not alone because there is, of course, no justification for having an embargo on American tobacco products, but also because of the fact that it works quite a hardship upon American tourists in Cuba who are unable to secure their favorite American brands while there. As a matter of fact, perhaps 99 per cent., if not all, of the American tobacco products imported by Cuba are consumed by American tourists.

The excuse formerly given by the Cuban Government for thus prohibiting the importation of American tobaccos, based upon the American restriction against Cuban cigars, is no longer valid, asserted the counsel for the national tobacco association. Our Congress, in the last tariff act, has repealed the cigar restrictions and United States letter carriers are now delivering packages of Cuban cigars direct to American consumers, under the new parcel post convention, without any restrictions. Hence, in all fairness and good faith, Cuba should have immediately restored normal or reasonable rates of taxes or duties on American tobacco products.

But instead of granting the American tobacco industry the relief which it clearly merits, complained Mr. Dushkind, the Cuban Government has continued to load up imported (meaning American) cigarettes and tobaccos with one tax on top of another, until today an American tourist in Cuba desiring to purchase a two-ounce package of his favorite brand of American tobaccos, retailed in the United States for fifteen cents, must pay $1.20 for it, or seventy-five cents for a package of twenty cigarettes which retails in the United States at fifteen cents or less. This certainly cannot be justified as a revenue measure, since imports of tobaccos, including cigarettes, amount only to $250,000 a year.

Commission Completes Revision of Trade Practice Rules

Revision of the trade practice rules of nearly eighty industries has been completed by the Federal Trade Commission and, in the near future, the rules of each of these industries will be announced separately, after representatives of each have been given an opportunity to act on the changes made by the Commission.

The need for the revision arose out of representations made a year ago that practically all of the industries which had adopted codes of ethics had, by passing on questions connected with prices, such as discount methods, secret rebates, etc., invaded a field in which, under the anti-trust laws, they had no right. In order to make the rules conform with the law and, therefore, to some measure enforceable, the Commission undertook the task of reviewing and revising the code of each industry.

"While details will not be made known until the statements concerning each industry are released for publication," it was stated by officials of the Commission in announcing the completion of the work, "it may be said that the group II rules which relate to expressions of the trade are being generally retained in the language of the industries, although there are some changes suggested by the Commission. Group II rules relate to practices and methods in doing business that the industry believes are opposed to economic principles or to fairness, or ethics, or good morals, although such practices or methods are not required by law. Rules concerning practices regarded as unfair methods contrary to law are placed in group I."

No Immediate Increase in Federal Taxes Necessary

No immediate increase in Federal taxes is necessary as a result of the deficit which the Government is expected to report at the close of the fiscal year on June 30, next.

Announcement that Administration leaders do not believe tax increases to be necessary was made by President Hoover March 31 which, however, was coupled

(*Continued on page 13*)

"I've ridden the Western Plains

—says Chesterfield

©1931 LIGGETT & MYERS TOBACCO CO

Yet you'll meet me in the thick of a Broadway crowd"

It's a far cry from the cow country to Broadway. But what it takes to make the broncho buster "open up" about his cigarette is exactly what you want in your smoke. Good *taste*—and lots of it! And that is first a matter of tobacco quality, never forget it! What you taste in Chesterfield is riper, better tobaccos—not another thing—blended and "cross-blended" to a fragrant, *satisfying* mildness that is Chesterfield's own!

FOR NINETEEN years, our Research Department has kept intimate touch with every new development of Science that could be applied to the manufacture of cigarettes. During this period there has been no development of tested value or importance to the smoker which we have not incorporated into the making of Chesterfield cigarettes.

Liggett & Myers Tobacco Co.

Greater mildness . . . better taste!

"MEDALIST" PRIZE CONTEST

ON Sunday, April 12, a full page ad appeared in the Rotogravure Sections of five newspapers in five of the larger cities of the United States announcing a prize contest in which $2500 worth of "Medalist" cigars will be distributed to the fifteen persons writing the best letters to the manufacturer, E. A. Kline & Company, Incorporated, stating whether they prefer "Medalist" cigars wrapped in cellophane or without cellophane, and why.

In the advertisement, Mr. Kline states that he has been manufacturing fine cigars for almost forty years, and he does not want to wrap "Medalist" cigars in cellophane unless he is certain that "Medalist" smokers prefer them so wrapped.

E. A. Kline offers six sizes of "Medalist" cigars in lots of 100 at $16, $19 or $23, depending on which size is preferred, and with each order of 100 of these cigars at the above price, the purchaser will be given a handsome walnut porcelain lined humidor absolutely free. Fifty of the cigars on each order of 100 will be wrapped in cellophane and fifty will be unwrapped. After the purchaser has smoked the 100 cigars, if he will write Mr. Kline stating his preference for wrapped or unwrapped cigars, the following prizes will be awarded: First five prizes for the best letters will be one year's supply of "Medalist" cigars free, not to exceed $300 worth; second five prizes—six months' supply of "Medalist" cigars, not to exceed $150 worth; third five prizes—three months' supply of "Medalist" cigars, not to exceed $75 worth.

The judges of the contest are: A. H. Gregg, president, Faber, Coe & Gregg, Incorporated, New York; Paul L. Brogan, vice-president, Yahn & McDonnell, Philadelphia; T. J. Dowd, president, Estabrook & Eaton, Boston; R. J. Seidenberg, president, R. J. Seidenberg Company, Buffalo; J. B. McClements, manager, Reymer & Brothers, Incorporated, Pittsburgh; L. Klein, president, Louis Klein Cigar Company, Cleveland; J. H. Maute, vice-president, W. F. Monroe Cigar Company, Chicago; C. B. Leidersdorf, president, Lewis-Leidersdorf Company, Milwaukee, and L. H. Ehrlich, president, Rothenberg & Schloss Cigar Company, Kansas City and Denver.

All letters in the contest must be received by midnight, July 1st.

Y. & M. TAKE ON NEW BRANDS

Yahn & McDonnell Cigars, Chestnut Street, distributors of high-grade cigars, tobacco, and smokers' accessories, have recently taken on the "Listerine" cigarette, manufactured by the Christian Peper Tobacco Company, of St. Louis, Mo., for exclusive distribution in this territory, and are meeting with surprising success on this brand. They are moving a goodly volume of these cigarettes regularly each month.

This house is also distributor for this territory for the "Dawn" cigarette, the cigarette which is lighted by simply drawing the tip of the cigarette across the edge of the specially treated box, and also "Heine's Mixture," a high-grade smoking tobacco.

Yahn & McDonnell are also putting out the new six and one-half-inch long five-cent cigar, under their own label, "Y. & M. Smokewell" and meeting with a good steady demand on this item.

The "Optimo" brand is also showing an increase, and their weekly standing order has been increased several times in the past few months, with express shipments also coming through, in order to meet the demand.

PHIL. M. PHULOFAX ELATED

THERE'S a cigar retailer out in Anytown, U. S. A., who writes in to me—Phil M. Phulofax, D. B. I.—to say he wants to know some things about "the man who calls himself a business philosopher and specialist in cigar retailing, and writes selling tips for cigar retailers." Well, sir, let me tell you Phil M. Phulofax feels flattered by that letter. I don't know anything that's made me feel better since I've been associated with Bayuk Cigars, Incorporated, and writing the selling tips now appearing in the advertising pages of this magazine.

"What I want," the letter reads, "is a sort of picture of you. How old are you? What's your past experience? Where do you get all your selling ideas? I'm not asking this just out of curiosity. I've been reading your tips on cigar retailing regularly, and think you've got the real stuff on the ball. I'd like to feel that I know you a bit better, though. If I could sort of picture you while I'm reading one of your tips it would make things seem more friendly. That's a good way for things to be between men in the same business. It gives each a lot of confidence in the other."

Well, as I've said, that made old Phil M. Phulofax feel pretty good. There isn't anything I want more than for each of you cigar retailers who read my tips to feel that there's a really personal, friendly contact between us—that I'm doing my best to help you in a personal, friendly way. I told the man who wrote that letter I wasn't so old I was touchy about my age, even if I wasn't young enough to gad about all night and get up without a headache in the morning; that my experience covered the cigar business pretty thoroughly, including quite a few years as a cigar retailer in a town just about the size of his.

I told him that I hated to give myself away on where I get my selling ideas. I wish I could take credit for thinking of them all myself. I'd be a pretty smart fellow. Some of them I did think up when I was in the retail end of the business, but most of them have been given to me by cigar retailers all over the country. It's the dealers themselves who deserve most of the credit for the helps my selling tips give the fellows who read them.

TAMPA'S MARCH PRODUCTION

Production of cigars in the Tampa factories was well ahead of February, although not up to March of last year. However, March of last year was an exceptionally good month for the Tampa factories so that this year's production is considered very satisfactory.

The production of cigars by classes was as follows: Class A, 14,947,000; Class B, 680,000; Class C, 12,422,664; Class D, 3,291,000, and Class E, 53,217. Total of all classes was 32,025,510. The total for March, 1930, was 40,332,000.

GENERAL CIGAR ADVERTISING

New copy in the newspapers, by the General Cigar Company, calls attention to the fact that "There is a Good Five-cent Cigar in This Country—William Penn."

Plans have been perfected for an intensive billboard campaign which will soon be launched by the General, and which will help swell the steadily increasing sale of this popular brand.

Autokraft Would Like To Help!

AUTOKRAFT knows that the Wooden Cigar Box is a valuable advertising and merchandising accessory for the cigar manufacturer. It knows that wood and tobacco are Nature's products and that cigars benefit from this association. It knows that most smokers prefer cigars packed in wood.

AUTOKRAFT believes it has produced the most distinctive Wood container in which to offer cigars to the consumer. Its Research Department continues its studies of Wooden Cigar Box problems in order that the cigar manufacturing industry may receive every possible benefit from established results.

But AUTOKRAFT would like to do more. It wants to help not only to increase the sales of cigars to old smokers, but it wants to lend every assistance in the creation of NEW cigar smokers.

Yes, AUTOKRAFT would like to help. And it will be happy to have any cigar manufacturer write and suggest a way in which AUTOKRAFT can assist in restoring the cigar to its old-time prestige and popularity.

AUTOKRAFT BOX CORPORATION

LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

OFFERS $1125 IN DISPLAY PRIZES

THE Dennison Manufacturing Company, Framingham, Mass., has just announced a window display contest that will probably interest many of our readers. This contest is open to every type of retail establishment and any sort of merchandise can be displayed in the windows.

The conditions under which the awards will be made are as follows:

1. The contest runs from May 1 to July 15.
2. Any photograph or snapshot of a display installed between these dates is eligible for consideration.
3. Some crepe paper must be used as decorations in the display, but it doesn't matter what kind or brand.
4. The judges will be selected from outside the Dennison organization and will be men who are outstanding in the display field.

The Dennison Company is offering free to people interested in this display contest a copy of the book "Some Lessons in Window Decorating" and also the four-color Spring 1931 Dennison Display Bulletin that is filled with seasonal displays, suggestions and hints for decorators.

MISLEADING ADVERTISING CURBED

According to an announcement by the Federal Trade Commission, curbing of false or misleading advertising has been agreed to by ten advertisers.

Preparations alleged to be capable of improving the appearance by the use of massage creams and nose shapers and alleged cures for the "tobacco habit" were the basis of most of the agreements.

"WINGS" MARKET EXPANDED

DISTRIBUTION of the "Wings" cigarettes, product of the Brown & Williamson Tobacco Corporation, which brand was launched in Chicago last summer, has been extended to Detroit, Des Moines, Indianapolis and Louisville. The intensive advertising campaign which was inaugurated in Chicago last summer created such a lively demand for the new brand that it was impossible to expand production fast enough to more than take care of the Chicago market. However, production has now been stepped up to the point where it is possible for the company to supply other markets, and a national distribution may be possible at a later date.

The Brown & Williamson Tobacco Corporation also manufacture the "Raleigh" cigarette and "Sir Walter Raleigh" smoking tobacco, which brands met with almost instant success and now have a national distribution and a steady demand.

K. B. & B. IN TALLEST BUILDING

Kaufmann Brothers & Bondy, Incorporated, manufacturers of fine pipes, have announced that on May 1st their offices will be located in the new Empire State Building, on Fifth Avenue, New York.

The Empire State Building, being one-quarter of a mile high, is the tallest building in the world, and Kaufmann Brothers & Bondy extend a cordial invitation to the trade to visit them in their new offices after May 1st. The company is located at present at 120 Fifth Avenue.

AMERICAN TOBACCO MANAGEMENT APPROVED

DIRECTORS of the American Tobacco Company re-elected George W. Hill, the most highly paid corporation executive in the country, as president of the company following the annual meeting of stockholders at Jersey City on April 1st, at which the management secured an overwhelming majority vote in continuation of its policies.

The minority dissenters against the large stock and cash bonuses paid to Mr. Hill and other officers of the company nominated J. J. McGlone as a director. Mr. McGlone received only 11,980 votes out of a total of 2,627,953 cast. All other officers were re-elected.

The minority group, led by Richard Reid Rogers, a stockholder who was formerly counsel for the Interborough Rapid Transit Company, will continue the action in the Federal courts to have the stock bonus system of the company declared illegal and invalid. Mr. Rogers said at the stockholders' meeting yesterday that he had also asked the Court to fix a reasonable compensation for the president and five vice-presidents, and to cause these officers to account for sums received in excess of such reasonable compensation.

Proxies for the management of the company totaled 345,645 shares of preferred stock, each of which carries four votes, and 1,220,945 shares of common, which carried 2,441,890 votes, or a total of 2,603,525 votes in all.

Apparently a vast majority were not dismayed by the fact that Mr. Hill received about $1,000,000 cash compensation in 1930 in addition to a stock bonus valued at approximately $1,275,000. Officers and executives of the company, which last year reported record earnings of $43,345,370, after all expenses and charges, were permitted to subscribe to common stock at $25 a share while the stock was selling around $112 a share on the New York Stock Exchange.

Stockholders at a special meeting last July approved this stock subscription plan, which the minority contends will dilute its interest to the extent of $30,000,000 if all of the stock provided under the plan is sold at $25 a share.

The following statement by Mr. Hill was read to the stockholders at the meeting:

"On March 12 there was mailed to all stockholders of the American Tobacco Company the notice of the regular annual stockholders' meeting to be held today, April 1, the financial report of the company for 1930 and the president's letter to stockholders setting forth the salient facts concerning the company's progress and success during that year. At the same time there was mailed to all stockholders, under separate cover, a full statement concerning the employees' stock subscription plan which was authorized by the stockholders at the special meeting held on July 28, 1930.

"The financial report and the president's letter showed that the net earnings of the company for the year 1930, after deducting taxes, depreciation and all expenses of management, amounted to $43,345,370, by far the largest in the entire history of the company. The dividends paid on the common and common B stock during that year were $29,293,983, and, in addition, $3,161,982 was paid as dividends on the preferred stock. The net earnings for 1930 represented an increase of more than 43 per cent. over those of the year 1929.

"It is a source of pride and satisfaction to your management to be able to make such a gratifying report for the year 1930, particularly since that year was, as you know, one of general business depression. We are also glad to be able to report at this time that the company's progress during the first three months of the present year has been very satisfactory, our figures showing substantially increased volume for the three months, and notwithstanding largely increased expenditures for advertising, showing increased profits for the two months for which figures on profits are available.

"In conclusion I will say that nothing in connection with my administration of the presidency of your company during the last five years has given me greater pleasure than the overwhelming approval which the stockholders of the company have by their proxies, during the last twenty days, given to our work and policies."

There were present at the meeting in person or by proxy the largest representation at any annual meeting in the company's history.

Directors elected were: Richard J. Boylan, John K. Fletcher, C. Huntley Gibson, Patrick H. Gorman, John G. Hager, Paul M. Hahn, Tullis T. Harkrader, James B. Harvie, George W. Hill, Charles S. Keene, James E. Lipscomb, Jr., Arthur C. Mower, Charles F. Neiley, William H. Ogsbury, Charles A. Penn, Vincent Riggio, and Thomas R. Taylor.

UNITED COUPONS EXPIRE ON APRIL 30

THE UNITED Cigar Stores Company, which discontinued the distribution of profit-sharing coupons with each purchase made in their stores, in May, 1929, has issued notice for the public to present their coupons for redemption.

April 30 is the last day on which coupons will be redeemed in New York, while June 28th is the limit for Chicago.

Since the United discontinued the use of coupons two years ago there have been many rumors that they would be reinstated at the right time. The current announcement is believed by some to mean that the United again is thinking of using some form of premium to give it the balance of power in competition with other retail establishments.

In May, 1929, when the coupon idea was abolished, the United States was at the peak of its prosperity, and salesmen reported that the majority of the United customers failed to accept the proffered slips. The use of the coupons also had an unfavorable effect on the net profit of the United Cigar Stores.

GOVERNMENT TO START NEWS SERVICE

A Tobacco News Service, available to members of the industry, will be inaugurated by the Department of Agriculture when the 1931 marketing season opens.

Daily reports on the tobacco markets will be issued from information obtained from various key markets or field offices.

These daily reports will show the average prices paid for a few representative grades on the key markets, accompanied by such market comment as may be found suitable. Similar reports will be issued of the prices and supplied to the warehouses of the country.

The second series of reports from each of the key markets will review the prices for the week, including a summary of all grades.

A third series of reports consisting of weekly or monthly reviews, summarizing the developments in all districts, will be also established. No satisfactory method of affording this service to the cigar tobacco districts has yet been evolved, owing to lack of central or other organized markets. Consideration is being given, however, to the possible use of special reporters located at important points.

News from Congress

(Continued from page 8)

with a warning that the next session of Congress must adhere closely to the budget laid down by the Government.

"There will be no increases in taxes if the next Congress imposes no increase upon the budget, or other expenditures which the Administration will present," it was declared in an announcement made by President Hoover. "But for Congress to do this, the people must cooperate to effectively discourage and postpone consideration of the demands of sectional and group interests."

While apprehensive over the general situation of Federal income occurring as the result of falling income tax returns and reduced customs collections, the Administration is believed to be contemplating slowing up its program for the retirement of the public debt, plus some salvaging operations in the future from Farm Board operations, while an improvement in business may make for larger income tax returns next year. A possible increase in customs collections growing out of the improved business conditions here and a curtailment of public expenditures are also considered likely.

With the Administration deciding that the deficit can be handled without imposing new taxes, Treasury experts have reported that the Government can carry on without any embarrassment by borrowing and by reducing the amount applied to reduction of the national debt. These calculations include the expectation of an upturn in business this year to increase the Government's revenues.

ARTHUR HITCHENS DIES

Arthur R. Hitchens, who recently resigned as vice-president and director of the Exchange Buffet Restaurant Corporation, New York, was found dead on Thursday of last week at his home in Larchmont, N. Y. Mr. Hitchens' body was found in the kitchen of their home by a member of the family. Death had been caused by asphyxiation.

Mr. Hitchens was well known to the retail trade throughout the east, having been manager of Pillsbury's cigar store in Boston several years ago. In 1909 he came to New York City to assume charge of the cigar department of the Hygrade Wine Company, and later he became associated with the Exchange Buffet Restaurant Corporation as head of their cigar department, and business in this department soon showed a substantial increase under his able direction.

He later became vice-president and a director of the corporation, which position he held until a short time before his death.

He is survived by his widow, one son and a daughter. He was fifty years old.

BROWN & WILLIAMSON TO BUILD ADDITION

A permit for alterations and improvements to cost $4000 was issued by the building inspector's office in Louisville, Ky., recently to the Brown & Williamson Tobacco Corporation, West Hill Street, for improvements to be made to their present building there to accommodate the staff of the British American Tobacco Company, Limited, which will be moved there from New York City.

WASHINGTON CENSUS OF DISTRIBUTION

RETAIL business in the city of Washington, D. C., in excess of $331,000,000 is shown by the Bureau of the Census in the release of the returns from the 1930 Distribution Census now being compiled. The 1930 population of Washington is 486,869.

The Bureau reports 5917 retail stores with a total annual business of $331,873,844. The yearly payroll is $43,649,510, of which $41,947,534 is paid to 30,677 full-time employees. There are 3796 part-time employees, to whom was paid $1,701,976. There are 5030 proprietors who are owners of some of the stores and whose compensation is not included in salaries and wages. This is a total of 39,503 people employed all or part time in retail stores in Washington. Merchandise in stock for sale at the end of 1929 shows a cost value of $37,129,028.

The total of 5917 stores includes 4522 single-store independents, 285 units of two-store multiples, and 102 units of three-store multiples. There are also 144 units of local chains, 180 units of sectional chains and 596 units of national chains. Sales of these three types of chain organizations aggregate $90,833,843, or 27 per cent. of the total retail business, while sales of the single-store independents amount to $209,034,656, or 61 per cent.

Among the unusual facts disclosed are: Of each $100 of retail sales, $28.08 is required for payroli, rent and occupancy costs, and other operating expenses. No profit on return on owned capital investment in stock, fixtures and accounts has been included in this compilation.

This operating average cost varies greatly in the different kinds of stores and according to the degree of service. The principal factors which cause it to be high or low are rent, which reflects convenience of location and elaborateness of fixtures; payroll, which reflects the type and efficiency of employees and the convenient arrangement of stock, and other expenses reflecting the degree of delivery and credit services. The lowest cost is in grocery stores, which require $15.66 of each $100 of sales; the highest is in the small "general store," which requires $40.18.

In determining these operating expenses, the services of proprietors (who do not appear on the payroll) have been added to the salaries and wages paid employees, using as the basis only the average salaries paid to full-time employees, determined sparately for each kind of business.

Rental cost is $4.36 for each $100 of sales.

Cigar stores and cigar stands in Washington total 126, with the total number of full-time employees 110. In 1929 total net sales were $1,775,751. Stock on hand at the end of the year (at cost) totaled $145,607, and the total salaries and wages paid were $130,590.

Four grocery stores report total sales of $396,112, with cigars, cigarettes and tobacco comprising .73 per cent of the sales. Forty-seven combination stores (groceries and meats) report total sales of $5,382,137, with cigars, cigarettes and tobacco comprising .04 per cent. of the sales. Eleven candy and confectionery stores report total sales of $705,742, with cigars, cigarettes and tobacco comprising .75 per cent. of the sales. Three delicatessen stores report $249,345 in sales, with cigars, cigarettes and tobacco comprising 1.02 per cent. Twenty-three restaurants and cafeterias report total sales of $3,176,412, with cigars, cigarettes and tobacco

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FEDERAL TRADE COMMISSION BANS SELLING BELOW COST

THE FEDERAL TRADE COMMISSION has recently completed a study of the trade practices of about eighty business groups and will shortly have for publication the various rules of ethics applying to each industry. A set of rules of business applying to the luggage industry has already been made public, and it is anticipated that rules for other industries, including the tobacco industry, will be substantially the same. The rules as set forth for the luggage industry are as follows:

"Rule 1. The secret payment or allowance of rebates, refunds, commissions or unearned discounts, whether in the form of money or otherwise, or secretly extending to certain purchasers special services or privileges not extended to all purchasers, under like terms and conditions, with the intent and with the effect of injuring a competitor and where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade, is an unfair trade practice.

"Rule 2. It is an unfair trade practice for any person engaged in interstate commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

"Provided that nothing herein contained shall prevent discrimination in price between purchasers of the same class on account of differences in the grade, quality or quantity of the commodity sold, or that makes only due allowance for differences in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition, and provided further, that nothing herein contained shall prevent persons engaged in selling the products of this industry in commerce from selecting their own customers in bona fide transactions and not in restraint of trade.

"Rule 3. Maliciously inducing or attempting to induce the breach of existing contracts between competitors and their customers by any false or deceptive means whatsoever, or interfering with or obstructing the performance of any such contractual duties or services by any such means, with the purpose and effect of unduly hampering, injuring or embarrassing competitors in their businesses, is an unfair trade practice.

"Rule 4. The selling of goods below cost with the intent and with the effect of injuring a competitor, and where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade, is an unfair trade practice.

"Rule 5. Directly or indirectly to give or permit to be given or offer to give money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees or representatives of competitors' customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence their employers or principals to purchase or contract to purchase industry products from the maker of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors, is an unfair trade practice.

"Rule 6. The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or the false disparagement of the grade or quality of their goods, with the tendency and capacity to mislead or deceive purchasers or prospective purchasers, is an unfair trade practice.

"Rule 7. Maliciously enticing away the employees of competitors with the purpose and effect of unduly hampering, injuring or embarrassing competitors in their businesses is an unfair trade practice.

"Rule 8. The practice of shipping or delivering products which do not conform to the samples submitted or representations made prior to securing the orders, without the consent of the purchasers to such substitutions, and with the effect of deceiving or misleading purchasers, is an unfair trade practice.

"Rule 9. The making or causing or permitting to be made or publishing any false, untrue or deceptive statement by way of advertisement or otherwise concerning the grade, quality, quantity, substance, character, nature, origin, size or preparation of any product of the industry having the tendency and capacity to mislead or deceive purchasers or prospective purchasers, is an unfair trade practice.

"Rule 10. To ship products of the trunk, luggage and brief case industry on consignment with the intent and with the effect of injuring a competitor, and where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade is an unfair trade practice."

KANSAS CITY PLANS TOBACCO WAREHOUSE

According to an announcement made last week, Kansas City, Mo., plans to establish a huge tobacco depot in the near future to meet the needs of that fast-growing agricultural pursuit in that section.

The warehouse and sales plant, as now projected by a group of Kansas City business leaders, will cover nearly five acres in the industrial district, and will provide 180,000 square feet of area.

Included in the plans is a tobacco dryer, which the promoters say would carry the project beyond the warehousing and marketing stage into the preliminary stage of processing. This fact, it is believed, will furnish an inducement to cigarette manufacturers to establish plants here.

The promoters believe that the new development will bring to the new warehouse annually 6,000,000 pounds of tobacco, having a value in excess of $1,000,000. More than 150 men will find employment for four months of each year, it is said.

The development will cost approximately $750,000. Plans now are for three broad driveways to approach the huge building, with loading docks making possible unloading of 100 trucks at a time.

It has been announced the new depot will be ready for use next fall.

WASHINGTON CENSUS OF DISTRIBUTION

(*Continued from Page 13*)

comprising 2.26 per cent. of the total. Five lunch rooms report $414,484 in sales, with cigars, cigarettes and tobacco accounting for 8.99 per cent. Four cigar stores report sales of $216,289, with cigars, cigarettes and tobacco comprising 84.29 per cent., and smokers' accessories 15.71 per cent.

Twenty-one drug stores report sales of $1,450,655, with cigars, cigarettes, etc., comprising 12.44 per cent. of the total.

ENGLAND MAY INCREASE TOBACCO TAX

APRIL 27 will be "zero hour" for the British taxpayer, and possibly also for the American tobacco interests, J. Ramsay MacDonald, the Prime Minister, having told the House of Commons on March 30 that Philip Snowden, Chancellor of the Exchequer, would make his budget speech on that date. Almost simultaneously tobacco manufacturers in this country were notified by the British Treasury that their withdrawals of tobacco from bonded warehouses for the month beginning April 1st would be restricted to the average monthly withdrawal for the last year. This is interpreted as a clear intimation that Mr. Snowden is seriously contemplating, if he has not already decided, upon an increase in the tobacco tax.

Empire Growers Favored

Tobacco taxes for the year 1929-'30 yielded the Treasury about $313,500,000. For the financial year which closed March 30, it is estimated that the tax will total, roughly, $315,000,000. The present tobacco tax, from the smokers' standpoint, works out at about six cents a package of ten cigarettes and thirteen cents an ounce on pipe tobacco. There is a preferential duty on empire-grown tobacco of about fifty cents a pound, but despite this it has made little headway among smokers as against Virginia and Turkish brands. If, however, tobacco manufacturers make smokers pay any increased tax as a result of the forthcoming budget, empire tobacco growers are likely to find a better market here.

Quarters in close touch with the government predict that Mr. Snowden's new budget will retain the principle of free trade and reject the idea of a 10 per cent. revenue tariff, with which some Liberals and even a few members of the Trades Union branch of the Labor movement have been flirting recently. Then there will be, it is said, substantial taxation on land values—that is, a tax on the increased value of undeveloped land along the recently built arterial motor roads, or in areas tapped by new transportation lines.

Saving on Debt Contemplated

Mr. Snowden is also believed to be contemplating saving money on the future national debt interest payments, due to cheaper money through the very extensive loan conversion operations.

The brighter side of the budget forecast, from the taxpayer's standpoint, is the belief that the Chancellor will not increase income or corporation taxes. This additional taxation and contemplated savings is necessitated for two reasons: first, because it is now estimated that the financial year, which closed tonight, will show a treasury deficit of about $140,000,000; secondly, owing to the fact that the total government estimates for the new financial year are larger than last year's, including the difficult estimate of the cost of unemployment insurance, or, in common parlance, the dole.

TOBACCO PRODUCTS ELECTS OFFICERS

At the annual meeting of the board of directors of the Tobacco Products Export Corporation, held on April 7th, the following officers of the corporation were elected: R. M. Ellis, chairman of the board; L. B. McKitterick, vice-president; O. H. Chalkley, secretary and treasurer, and A. B. Thomas, assistant secretary.

GENERAL CIGAR DIVIDEND

The board of directors of the General Cigar Company have declared a quarterly dividend of $1 a share on the common stock of the company, payable May 1st to stockholders of record at the close of business April 17th.

Here it is . . . The new democratic Raleigh cup package. The same fine cigarette. The same price to you and to your trade. But the old familiar type package because so many smokers insisted upon getting their Raleighs that way. Cellophane wrapped to keep them fresher and better than ever. Are they selling? Don't be foolish, Watson. A smoker knows a good thing when he sees it.
Twenty Cigarettes
Cellophane wrapped
BROWN AND WILLIAMSON TOBACCO CORP.
Louisville, Ky.
Raleigh
CIGARETTES

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

TOBACCO EXPORTS WELL MAINTAINED

EXPORTS of leaf tobacco and manufactured products from the United States were well maintained during January and February of the current year, falling only slightly from the valuations of the corresponding periods of both 1930 and 1929, according to B. D. Hill, of the Commerce Department's tobacco division.

Total exports during the first two months of 1931 aggregated were valued at $25,093,532, as compared with $26,049,207 in 1930 and $27,450,220 in 1929.

During the 1931 period under review Bright fluecured tobacco fared well. The amount exported was 8,344,000 pounds over the 1929 period and 157,000 pounds over the 1930 period. The price received per 100 pounds was $2.26 more than in 1930, but twenty-eight cents less in 1929. Burley shipments, although slightly in excess of 1929 and 1930, suffered heavily in price; shippers received $14.67 per 100 pounds against the 1930 return of $21.87 and the 1929 return of $16.28.

Dark tobaccos, all types, slumped considerably, falling short of 1929 by nearly 7,500,000 pounds and of 1930 by nearly 12,000,000 pounds. The price received for Kentucky-Tennessee was slightly over the 1930 price, but $4.26 under that of 1929.

MAYER BLOOM BUSINESS REORGANIZED

Following the failure of Mayer Bloom, tobacco and confectionery jobber of 108 Bowery, New York City, a few weeks ago, a schedule filed recently lists liabilities of $106,229 and assets of $78,580. The failure was ascribed to inability to collect many retail accounts. The firm had been in business for forty years.

Principal creditors are R. J. Reynolds Tobacco Company, $30,404; American Tobacco Company, $17,040; P. Lorillard Company, $11,370; Liggett & Myers Tobacco Company, $6331, and the Manufacturers Trust Company, $14,000. Main items of assets were: Stock, $28,000, and accounts receivable, $26,300.

A new firm, the Bloom Tobacco and Confectionery Corporation, incorporated for $5000, has taken over the headquarters of the old company. Sidney Bloom, son of Mayer Bloom, is president of the new corporation.

AUSTRALIAN INDUSTRY GETS SETBACK

It is reported in Melbourne that the American tobacco expert who has been directing the experimental work in Australian tobacco for the past few years has resigned and is leaving Australia. The government has made no announcement in regard to the selection of a new Director of Australian Tobacco Investigation nor any definite announcement with regard to the future of the tobacco investigation work and it is said that it is doubtful if a new man will be employed in view of the present economic situation. It is also said that this will undoubtedly mean a set-back of a considerable period in the prospects for the successful establishment of an Australian tobacco growing industry.—Trade Commissioner S. R. Peabody.

"HADDON HALL" ON THE AIR

The D. Emil Klein Company, Incorporated, manufacturers of "Haddon Hall" cigar, is sponsoring a popular radio program broadcast over Station WOR, Newark, each Tuesday evening. Irving Berlin melodies are featured, and much favorable comment is being heard in reference to the program.

KEHAYA WINS STANDARD TOBACCO FIGHT

STOCKHOLDERS of the Standard Commercial Tobacco Company on April 7th voted their approval of the policies of Ery Kehaya, president, by a wide margin, and sustained his policy against members of the board of directors who were seeking to depose him. While the official count of the votes was not announced, it was indicated that Mr. Kehaya had received more than 200,000 votes out of a possible 283,000.

A new board of directors was formally elected on April 8th, supplanting the old board. The new directors are: Ery Kehaya, A. C. Kehaya, vice-president; Colonel Archibald W. J. Pohl, former president of the Granite National Bank of Brooklyn; John Govatos, president of the Citizens Saving Bank of Wilmington; Dean Alfange, Mr. Kehaya's secretary, and Samuel Gilman, of Gilman & Unger.

The opposition was led by John J. Glynn, who nominated for the board of directors in addition to himself, John J. Cray, William Whitaker, B. J. Haidler and W. S. Clayton. The old board of directors was composed of Messrs. Kehaya, Paul Kieffer, H. J. Wyatt, W. S. Clayton, M. Falbo, N. MacDowell, B. J. Haidler and Herbert H. Turrell.

A. M. & F. NET INCREASES

The net income of the American Machine & Foundry Company for 1930, including the company's proportionate interest in the International Cigar Machinery Company was $3,064,235. This is the largest income in the history of the company and compares with $2,644,845 for the year 1929.

Earnings were equivalent to $2.95 a share on the 1,000,000 shares of common stock outstanding December 31, 1930, against $2.50 a share on a comparable basis for the year 1929, an increase of 18 per cent.

The earnings of the International Cigar Machinery Company were $1,999,686 for 1930, as compared with $1,926,302 for 1929.

ITALY MAY ADOPT AUTOMATIC VENDORS

It is announced in *Il Sole* of February 14, 1931, that a number of experimental automatic vendors of cigars and cigarettes are to be installed by the Italian Tobacco Monopoly in the most important Italian cities. The machines, which will dispense only the most popular brands, must accommodate coins of the 2 and 5-lira denominations, as most Italian and foreign cigarettes retail at either 2, 5 or 7 lire. The 2-lira pieces are one and one-eighth inches in diameter and barely over one-sixteenth of an inch in thickness, while the 5-lira ones are seven-eighths of an inch in diameter and one-sixteenth of an inch in thickness.—*Assistant Trade Commissioner John M. Kennedy.*

PORTO RICAN WEATHER FAVORABLE

Weather conditions may still be classed as favorable to the tobacco harvest, although there was no appreciable rain during the first two weeks of March. This is particularly good for that portion of the crop already in sheds, and while a little moisture would help that still in the fields, the crop as a whole will get along very well with conditions similar to those now prevailing. Fully 60 per cent. of the crop is now in barns, and if weather conditions remain favorable, there is little doubt that the 35,000,000 pound estimate, previously reported, will be a minimum; the crop is likely to be nearer 38,000,000 pounds.

MICHIGAN TAX ON TOBACCO ABANDONED

SENATOR PETER B. LENNON, of Flint, Mich., sponsor of a proposal to place a 10 per cent. tax on tobacco products, has informed Governor Brucker that he will abandon any attempt to secure passage of the bill at the present session of the legislature.

Senator Lennon stated that he had abandoned any idea of having the bill passed "because there is no chance of passing any nuisance tax this year."

He stated that the bill was drafted several weeks ago at the request of the governor, who had hoped to secure funds to lift a portion of the tax loads which is now carried on general property. A hearing was held on the bill, at which opponents of the measure asserted that passage of the bill would place a handicap on Michigan merchants in competition with mail order houses.

At last November's election the cigarette tax was overwhelmingly defeated.

Governor Brucker stated that the tobacco tax had not been demanded by him, although he favors the principle of it.

MARCH TOBACCO ADVERTISING GAINS

The expenditure of the tobacco industry for radio broadcast advertising in February of 1931 showed a gain of over 100 per cent., when compared to the February, 1930, figure for radio advertising. The month's total in 1931 amounted to $262,294, compared to an expenditure of $129,866 in February of 1930, according to the Business Survey Department of Dorrance, Sullivan & Company, Incorporated, New York, advertising agents.

In March national magazines the industry spent a total of $507,357, of which $424,405 was for the promotion of cigarettes; $19,625 was for cigars and $63,327 was for smoking tobacco and smokers' supplies. This total for March, 1931, compares to $533,132 spent in March of 1930, a slight decline for this medium. In national farm magazines the industry spent $39,850 in March compared to $27,850 in March of 1930.

Thus for the industry as a whole, the March advertising total amounted to $809,501, an increase of 17.2 per cent. over the March, 1930, total of $690,848.

For the year to date, the tobacco industry has spent $2,150,124 advertising its products in national magazines, farm magazines and radio broadcasting, compared to a total for the similar period of 1930 of $1,640,116, an increase of 31.1 per cent.

NEW MARKET FOR AMERICAN TOBACCO

According to information received in the Tobacco Division of the Department of Commerce, a small European monopoly, contemplates as an experiment, the manufacture of a cigarette containing American fluecured tobacco. The monopoly heretofore, has used only Grecian and Turkish tobacco in combination with its own production but the fact that American cigarettes have recently come into favor in the country has led the monopoly to believe it worth while to place a brand made of American tobacco on the market. Although it is manifest that only small quantities will be needed at first, there exists an opening for what is known in Europe as "Virginia" tobacco. Any duly registered member of the Exporters Index who is interested in the above information should communicate with the Tobacco Division of the Department of Commerce.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN. AROMATIZER. BOX FLAVORS. PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

FISHER AGAIN HEADS N. Y. LEAF BOARD

(*Continued from Page 3*)

manner in which it represented to government officials, the cigar manufacturers' side of the Sumatra embargo controversy, which helped to a considerable extent in having the bill, placing an embargo on Sumatra tobacco April 1st, 1931, defeated in Committee. Our board also wrote a letter protesting against the embargo.

"I recommend that this Board of Trade go on record as being in full accord with the aim of the A. C. M. in its efforts to promote and protect the interest of the cigar leaf trade and cigar manufacturers, particularly their efforts to effect a national advertising campaign, in which we will all profit.

"Your local board held its fifth annual 'get-together-dinner' last December, which function was very well attended.

"At the last national convention held in Lancaster, Pa., the New York Leaf Tobacco Board of Trade invited the National Body to hold its annual convention in New York. This convention will be held on June first and second and I trust that our Board will make proper arrangements for the reception of the delegates and provide for suitable entertainment befitting our local Board."

Immediately following the regular meeting of the Leaf Tobacco Board of Trade, the newly-elected board of directors met and re-elected the old officers as follows: Henry Fisher, president; G. W. Spitzner, vice-president, and John A. Regan, secretary and treasurer.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

BILOTTA BROS., ORANGE KIST:—45,865. For cigars, cigarettes and tobacco. February 25, 1931. Masterpiece Cigar Co., Grand Rapids, Mich.

FEODORA:—45,866. For cigars. February 25, 1931. H. O. Cigar Company, Medford, Mass.

CLEANO:—45,867. For cigars, cigarettes and tobacco. December 31, 1930. Harry Bonick, Boston, Mass.

KNUTE ROCKNE:—45,871. For cigars. April 1, 1931. A. S. Ziegler & Co., Red Lion, Pa.

AINTREE:—45,872. For all tobacco products. March 31, 1931. George Schlegel, Inc., New York, N. Y.

SUNTICA:—45,873. For all tobacco products. March 27, 1931. George Schlegel, Inc., New York, N. Y.

TRANSFERS

MORJOY:—45,847 (T. M. A.). For all tobacco products. Registered May 20, 1929, by George Schlegel, Inc., New York, N. Y. Transferred to Yorkview Cigar Corp., New York, N. Y., March 26, 1931.

YORKVIEW:—45,468 (T. M. A.). For all tobacco products. Registered April 26, 1929, by George Schlegel, Inc., New York, N. Y. Transferred to Yorkview Cigar Corp., New York, N. Y., March 26, 1931.

TRUJOY:—30,870 (Tobacco World). For cigars, cigarettes, stogies and tobacco. Registered April 21, 1915, by H. J. Fleischhauer, Philadelphia, Pa. Through mesne transfers acquired by William Herbst, Philadelphia, Pa., and re-transferred to Louis Krassen, Philadelphia, Pa., March 7, 1931.

SOLITA:—21,171 (Tobacco World). For cigars, cigarettes and cheroots. Registered November 26, 1910, by Heywood, Strasser & Voigt Litho. Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to the registrants, to the Penn Cigar Co. of Pittsburgh, Pittsburgh, Pa., March 25, 1931.

CHARMET:—27,271 (Trade-Mark Record). For cigars. Registered August 8, 1902, by George Schlegel, New York, N. Y. Transferred to Childs Company, New York, N. Y., March 30, 1931.

CANCELLED REGISTRATION

CLEANO:—45,867. For cigars, cigarettes and tobacco. Registered December 31, 1930. Harry Bonick, Boston, Mass. Cancelled April 7, 1931.

CHILE INCREASES TOBACCO TAX

A Chilean decree published January 23, 1931, and effective sixty days thereafter, increased the internal tax on cigars from 10 to 25 per cent. of the retail price, on cigarettes 25 to 30 per cent. of the retail price, and on prepared tobacco from 10 to 15 centavo per 25 grams.

Under the existing system of levying on imported tobacco products one and a half times the rates on domestic cigars, cigarettes, and prepared tobacco, the increased internal tax on imported cigars is 37½ per cent. of the retail price, on imported cigarettes 45 per cent. of the retail price per package, and on imported tobacco product 22½ centavos for each 25 grams. The unit for levying the tax on cigarettes is a package of 14 cigarettes weighing not over 25 grams (gross weight).

THE FIRST SUMATRA SALE

THE first Amsterdam sale of Sumatra tobacco in the 1931 campaign was held on March 13. According to a letter to the Tobacco Division, Department of Commerce, from Dentz and Van Der Breggen, reports received during the latter part of 1930 stated that the new crop could not be considered as a good one; and that it was generally expected, with a few exceptions, the 1930 crop would prove to be very much like the preceding one. The first samples shown were greatly disappointing for it was found that the new tobacco in many instances did not come up to last year's standard.

The tobacco crop suffered very much from drought which affected not only the colors but also the yield. Fancy high grade tobaccos were scarcely to be found in the offerings. Colors ran from medium to dark and were partly yellow and streaky. The tobaccos showed lack of growth and particularly the second sizes ran, in many instances, small and narrow, the percentage of first sizes being extremely small. The bulk of the offerings consisted of five-cent Sumatras with but a very small quantity suitable for ten-cent merchandise.

Considering the general depression, it was supposed that the market would open on a moderate basis and reasonable prices were expected, but in spite of prevailing general conditions the market opened on a very firm basis and during the sales an upward tendency in prices was noted.

American interests bought 2000 bales as against 2800 bales in the first sale last year.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912.

Of THE TOBACCO WORLD, Published Semi-Monthly at Philadelphia, Penna., for April 1, 1931.

State of Pennsylvania, } ss.
County of Philadelphia, }

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Gerald B. Hankins, who, having been duly sworn according to law, deposes and says that he is the business manager of THE TOBACCO WORLD, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 411, Postal Laws and Regulations.

1. That the names and address of the publisher, editor, managing editor and business manager are:

Publisher—The Tobacco World Corporation, 236 Chestnut Street, Philadelphia, Pa.
Editor—Hobart B. Hankins, 236 Chestnut Street, Philadelphia, Pa.
Managing Editor—None.
Business Manager—Gerald B. Hankins, 236 Chestnut Street, Philadelphia, Pa.

2. That the owner is: The Tobacco World Corporation, 236 Chestnut Street, Philadelphia, Pa.—Hobart B. Hankins, 236 Chestnut Street, Philadelphia.

3. That the known bondholders, mortgagees and other security holders owning or holding one per cent. or more of the total amount of bonds, mortgages or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting is given, also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association or corporation has any interest direct or indirect in the said stocks, bonds or other securities than as so stated by him.

GERALD B. HANKINS,
Business Manager.

Sworn to and subscribed before me this
31st day of March, 1931.
JOHN J. RUTHERFORD,
Notary Public.
My commission expires January 22, 1935.

MAY 1, 1931

VOLUME 51 No. 9

THE TOBACCO WORLD

LIBRARY RECEIVED MAY 4 1931 U. S. Department of Agriculture

Autokraft Would Like To Help?

AUTOKRAFT knows that the Wooden Cigar Box is a valuable advertising and merchandising accessory for the cigar manufacturer. It knows that wood and tobacco are Nature's products and that cigars benefit from this association. It knows that most smokers prefer cigars packed in wood.

AUTOKRAFT believes it has produced the most distinctive Wood container in which to offer cigars to the consumer. Its Research Department continues its studies of Wooden Cigar Box problems in order that the cigar manufacturing industry may receive every possible benefit from established results.

But AUTOKRAFT would like to do more. It wants to help not only to increase the sales of cigars to old smokers, but it wants to lend every assistance in the creation of NEW cigar smokers.

Yes, AUTOKRAFT would like to help. And it will be happy to have any cigar manufacturer write and suggest a way in which AUTOKRAFT can assist in restoring the cigar to its old-time prestige and popularity.

AUTOKRAFT BOX CORPORATION

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

LIMA, OHIO
YORK, PA.
NATION WIDE SERVICE

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

NINETEEN-THIRTY-ONE

Is the year for cigar manufacturers to base their decisions on facts rather than pride, prejudice, preferences or traditions.

Cigars sell better if given a quality background. Wooden Cigar Boxes increase the saleability of cigars by providing a quality setting, and permitting the most beautiful and attractive effects with printing or lithography.

"Packed in wood, they're bound to be good." That's the impression right down the line—with the jobber, retailer and consumer.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — Number 9

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, MAY 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

"Open the old cigar box—let me consider anew—
old friends,
And who is Maggie that I should abandon you?

"A million surplus Maggies are willing to bear the yoke?
And a woman is only a woman, but a good cigar is a Smoke."—Kipling.

The above verses from Kipling's "The Betrothed" need no introduction to the cigar industry. And while much water has passed under the bridge since the verses were written, the fact remains that "a good cigar is a Smoke."

Cigar withdrawal figures for the first three months of this year, and for all of last year for that matter, indicate that the smoker is either having a heluva time finding a good cigar or that economic conditions have definitely circumscribed his explorations, at least temporarily.

Since cigarette withdrawals over the same period of time have more than held their own, it is within the realm of possibility that something besides economic conditions is retarding cigar consumption.

Some years ago when our personal consumption of cigars reached eighteen or twenty daily, certain physical complications laid us low. And it was about a year before we could get back into competition again. Since that time, however, we have been doing fairly well and now we are in a fair way to reach our old record.

But our readers may imagine our embarrassment when the Internal Revenue Bureau reported a decline for the calendar year of 1930 of about 662,000,000 cigars.

Despite the fact that so far as our personal taste is concerned cigars generally do not seem to be as good as they used to be, we smoked in January about all the cigars our system would stand. Yet great was our disappointment to find that the January decline this year was about 55,000,000 cigars.

Spurred on to greater efforts, in February we bought all kinds of cigars from Class A to Class E. We forced them on reluctant friends who questioned our ability to find a "good" cigar even if we knew one, which they also doubted. Consider our dismay when we learned that February cigar withdrawals were down 63,000,000.

We're a determined cuss about some things and we made up our minds that we would break our all-time record in March. Well, comparatively we received some encouragement when we found out that the decline in cigar withdrawals for March was only 14,000,000. That is, we were encouraged until we looked up the records and found that in March, 1930, the decline was 54,000,000.

A drop of 132,000,000 in cigar withdrawals the first three months of this year is something to think about, but a decline of 794,000,000 in fifteen consecutive months is something to start worrying about.

"Open the old cigar box——." Yeh, go on and open it!

Stick your nose in it, as discriminating smokers used to do.

Well?

Where is the good woody smell that poured forth when a box of fresh cigars was opened ten or fifteen years ago?

Where is the seductive fragrance of Spanish cedar to delight the nostrils of the man who knows good cigars?

Where is the rich tobacco aroma of well-blended leaf?

Well, where are all these things?

They may still be there, but it will take a Sherlock Holmes to find them in the majority of cases.

"Which is the better portion—bondage bought with a ring,
Or a harem of dusky beauties, fifty tied in a string?"

Kipling may be a little out of date, but he knew his cigars.

It is only our personal opinion, but we think the cigar manufacturers are in bondage, and about to be sold down the river unless they stress less economic conditions and more to finding out what is the reason for the decline in their cigar sales.

Cigar manufacturers spend large sums of money for fancy wrappers and then cover them with a transparent covering which distorts the fine shading which also costs them money. And the discriminating smoker can barely determine the exact color and quality of a fine wrapper so covered, from the cheapest cigar similarly dressed in the box next to it.

(Continued on Page 17)

"CAMEL" AWARDS TO BE ANNOUNCED EARLY THIS MONTH

Winston-Salem, N. C., April 27 (Special).

ANNOUNCEMENT of awards in the "Camel" cigarette $50,000 cash prize contest will be made early in May, officials of R. J. Reynolds Tobacco Company stated today.

The contest judges and their staff, who have been carefully reading the approximately 1,000,000 entries, announced today that they are rapidly nearing the completion of their work, and that within the next week or ten days they will be able to definitely set the dates on which the winners will be announced, and prizes awarded.

The judges are Roy W. Howard, chairman of the board of the Scripps-Howard league of newspapers; Ray Long, president of the International Magazine Company, and editor of *Cosmopolitan*, and Charles Dana Gibson, the famous artist, who is publisher of *Life* magazine. Thirty-eight prizes will be given for the best answers as to how the new cellophane moisture-proof wrappers on "Camel" cigarette packages benefit smokers.

The first prize winner will receive a check for $25,000 from R. J. Reynolds Tobacco Company, manufacturers of "Camel" cigarettes. Awards of $10,000 and $5000 will be given to the second and third winners. The next five will receive $1000 each, and the balance of $5000 will be distributed among thirty winners.

STONE SAYS CIGARETTES REAL BARGAIN

Chairman James C. Stone, of the Federal Farm Board, said recently in Washington, in discussing the tobacco situation, that the package of cigarettes costing thirteen to fifteen cents represents one of the greatest retail bargains of the day.

Only the immense sales volume, he said, makes it possible for manufacturers to sell cigarettes at that price and make a profit. A company attempting to launch a new brand would have to sell 15,000,000 cigarettes a day in order to break even, he stated.

Three pounds of tobacco are sufficient for the manufacture of one thousand cigarettes retailing at $6.50. The tobacco costs up to $1.20, and the manufacturer must pay a tax of $3 on this quantity. Then there is the cost of manufacture and distribution and advertising to be taken out of the remaining $2.30 before a profit can be shown.

D. EMIL KLEIN SALES INCREASE

D. Emil Klein Company, manufacturers of "Haddon Hall," "Nottingham," "Emanelo," etc., cigars, announce that sales of these brands increased $89,000, or 13 per cent., over last year, for the first quarter of 1931. When it is taken into consideration that Class C production for the entire country, which is the classification in which most of the Klein Company's production falls, shows a decline of 23 per cent. for the same period, the increase is enviable.

WORLD'S LARGEST CIGAR IN LONDON

What is thought to be the largest cigar in the world is on display by a London cigar store. It is eight feet six inches long and weighs 121 pounds. It took four months to make it.

As for cigarettes, the longest on the market now reach eighteen inches.

SCHULTE PRICE RAISE IN PHILADELPHIA IMMINENT

AT THE annual meeting of the stockholders of the Schulte Retail Stores Company last week D. A. Schulte, president of the company, stated to the stockholders that the advances in prices of cigarettes and other tobacco products will make a substantial difference in the earnings of the company.

He stated: "I believe that within thirty days drug chains and grocery chains will advance prices. Following the advance in New York, we have raised prices in Cleveland, Chicago and New England, and plan to raise prices next in Philadelphia. We are now on the road to showing real earnings."

In reply to a question, Mr. Schulte stated that he and his associates hold 300,000 shares of the common stock, out of 1,000,000 shares outstanding. Of this, 250,000 shares are held outright, and the other 50,000 shares are held on margin. The group also holds 40,000 shares of preferred stock, which is owned outright.

All retiring directors of the company were re-elected.

Mr. Schulte also revealed at the meeting that he had ordered his annual salary of $45,000 discontinued last September, and payment of this salary would not be resumed until he believed the condition of the business warranted it.

A. C. COMPANY REOPENS GARFIELD PLANT

The American Cigar Company has reopened its manufacturing plant at Garfield, N. J., under the supervision of A. Gold. The manager will be Joseph Solomon, and the entire factory production will be devoted to the manufacture of clear Havana hand-made cigars.

The American Cigar Company operates one other hand plant at Trenton, N. J. It is expected that when the Garfield plant is on full production schedule that it will employ five hundred workers.

"LUCKY" BROADWAY EXHIBIT TO CLOSE

The "Lucky Strike" miniature factory exhibit, which has been located on Broadway, New York City, for more than three years, at the corner of Forty-fifth Street, will be closed permanently about June 15th, according to a recent announcement. The lease expires on July 1st and no other location is being considered.

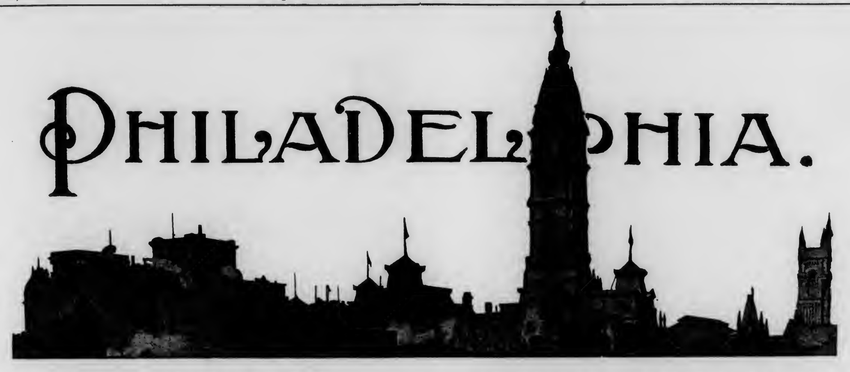
The exhibit has been operated purely as an advertisement by the American Tobacco Company.

UNITED GIVES UP CONTROL OF UNION

According to a recent announcement, the United Stores Corporation has relinquished control of the Union Cigar Company, which had been held through the Union Tobacco Company, a subsidiary of the United Stores Corporation. This was regarded in financial circles as the natural outcome of the conditions which have developed in the affairs of the companies concerned within the past few years.

WALGREEN EARNINGS

Net income of Walgreen Company and subsidiaries for the six months ended March 31, 1931, was $844,799, after charges, Federal taxes and subsidiary preferred dividends, equal after 6½ per cent. preferred dividend requirements of the parent company to eight cents a share on 858,409 shares of common stock.



"OPTIMO" GAINING IN SALES

AT Yahn & McDonnell, Chestnut Street, distributors of the "Optimo" cigar for this territory, they report that sales of this brand continue to forge ahead and they are constantly increasing their orders for weekly shipments in an effort to accumulate a stock on hand of this popular brand, but so far they have been forced to ship these cigars to their customers as fast as they are received from the factory in order to meet the demand. Abe Caro, genial factory man for the "Optimo" factory, was a visitor in Philadelphia last week, and expressed himself as highly pleased with the demand for his brand.

Mannie Perez, Marcelino Perez & Company, Tampa manufacturers of "Tuval," "Redencion," etc., clear Havana brands, was in town last week and dropped into Yahn & McDonnell headquarters. Mr. Perez has been visiting the retailers and jobbers in the north for a few weeks and finds his brands enjoying a splendid demand.

Herbert Jacoby, of the Bering factory, came over from New York, also, last week, and reports business picking up on his brand.

NOTES FROM BAYUK CIGARS

George Branzell reports an upward trend in the demand for Bayuk Cigars throughout his territory, which embraces the States of Maryland, Virginia and West Virginia.

Frank O'Brien, formerly associated with the credit department of Bayuk Cigars, Incorporated, Philadelphia, now stationed as auditor at the Cleveland, Ohio, branch of the company, joined the bonds of matrimony last Tuesday morning, April 14th. Mr. and Mrs. O'Brien will make their home in Cleveland.

John J. Snyder, in conjunction with Haas, Baruch & Company, Los Angeles and San Diego, is making progress in the distribution and sale of Bayuk cigars in that section of California.

In our April 15th issue we stated that Charles Fox, contact man between the Bayuk factory and their branch units, had returned to his duties after having been laid up with an attack of the flu. This was in error, as it was Charles Cox and not Charles Fox.

Yahn & McDonnell, local distributor of "Haddon Hall" cigars, are featuring them in window displays in their retail stands with good results.

BOWLING LEAGUE ANNUAL BANQUET

THE Cigar Manufacturers' Bowling League, Philadelphia, just ended the fourth year of their competition and on Saturday, April 18th, concluded a very successful season with a banquet which was held on that evening at the Hotel Adelphia roof garden.

The winning team, which was the El Producto, was presented with a silver plaque by the Consolidated Lithographing Corporation, emblematic of their winning the title for the 1930 and 31 season. Each member of the team was also individually presented with a beautiful combination fountain pen and pencil finished in black and gold and of which the donor was the Autokraft Box Corporation.

E. Webb, of the winners, the El Producto team, finished the season with the highest average score and for this feat was the recipient of a very fine vacuum bottle set, which was contributed by the American Can Company.

The Bayuk Phillies, the runners-up in the league, received a silver cup which was offered by the A. H. Ballict Corporation. This, on behalf of the team, A. N. Hirst accepted and made a very fitting response to the donor.

T. Newhofer, of the Bayuk Phillies team, drew a money order which was presented to the one making the highest three-game score in any one evening.

Messrs. W. Crawford, of the Havana Ribbons, and Sharp, of the Chancellor, teams also received money orders in making the highest score for any single game throughout the season. The donors were the American Colortype Company, of New York, and Banes & Mayer, of Philadelphia.

Louis Pollock, of the Royalist team, acted as master of ceremonies and uncovered some very interesting yet scientific facts on the origin of bowling.

Speeches were made by the following guests of the evening: Harry W. Buckley, Lima, Ohio, president of Autokraft Box Corporation; Henry Voice, vice-president of Consolidated Lithographing Corporation, Brooklyn; W. Leschey, vice-president Autokraft Box Corporation, Hanover, Pa.; V. Anderson, of Banes & Mayer, Philadelphia; Rodgers Neely, of A. H. Ballict Corporation, Allentown, Pa.

A. Reichert, New York, sales manager for the Carl Upmann factory, was in Philadelphia last week visiting John Wagner & Sons, local distributor.

BAYUK'S TO INAUGURATE RADIO PROGRAM MAY 3rd

BAYUK CIGARS, INC., of Philadelphia, will sponsor a new series of radio programs to be known as the "Bayuk Stag Party," beginning Sunday evening, May 3.

Sir Hubert Wilkins, the famous Arctic explorer, who will shortly lead an expedition to the North Pole in a submarine, will be the distinguished guest on the initial program, broadcast from Station WJZ and associated stations of the N. B. C. blue network at 9.15 P. M., Eastern Daylight Saving Time. Kelvin Keech, the popular announcer, will be master of ceremonies for the program, which will also present Nat Brusiloff and his orchestra and a male quartet headed by Jim Stanley, nationally known basso.

In securing Sir Hubert as guest for their first "Stag Party," its sponsors feel they are presenting to the radio public one of the most interesting and dramatic of present-day personalities. His past achievements as an explorer and his projected voyage beneath the Arctic ice, with all its attendant dangers, have served to make him a figure of worldwide note. Furthermore, in accepting the invitation to broadcast for the Bayuk Company, Sir Hubert made an announcement of particular interest when he stated. "This will probably be my last public act before leaving to join my expedition. It is a coincidence that this should be a stag party . . . because our venture promises to be a 'stag party' of the most rugged sort."

Other "Bayuk Stag Parties," on subsequent Sunday evenings at the same hour, will combine the novel and informative with musical entertainment of unusual quality. Noted explorers like Sir Hubert, famous sportsmen, popular authors and others noted in various fields of endeavor will make interesting talks on each of the programs.

The programs will also include brief, educational talks on various phases of the tobacco industry, its history and some of its present-day activities. With a business career of more than thirty-four years, Bayuk Cigars, Incorporated, has a background of experience from which many facts of interest to the radio public can be drawn. These will be presented in graphic form during the series of broadcasts. Of especial interest will be the story told in short, snappy style of "It's Ripe Tobacco."

The musical portions of the programs promise to be unusually attractive. Nat Brusiloff, who is one of the rising young conductors of the day, has assembled an orchestra especially for broadcasting work that has already won a place for itself in the front rank. Both in the choice of musical numbers and in their rendition, Brusiloff and his men occupy an enviable position among such groups on the air.

Jim Stanley and his fellow-members of the Bayuk Quartet have also an established reputation in radio circles. Stanley's fine voice will be heard to advantage in songs that run the gamut from the frivolous to the serious and the quartet selections will have an equally wide popular appear.

In Kelvin Keech, who has been selected as master of ceremonies for all the "Bayuk Stag Parties," the sponsors have chosen one of the popular announcers of the day. During his several years of association with the National Broadcasting Company, he has come to be recognized as particularly adapted for such work, by reason of his pleasing voice and radio personality. He and his associates promise to make the "Bayuk Stag Parties" one of the most interesting and appealing of the features on the air during the coming months.

JOHN B. THATCHER DEAD

JOHN B. THATCHER, widely known in the cigar industry and recognized as one of the ablest salesmen of cigar bands and labels, passed away on April 17th in the Bellevue Hospital, New York City, where he had been ill for some days.

Mr. Thatcher was born near Philadelphia about fifty-seven years ago. He entered the cigar box business in Chicago in his early youth under the tutelage of his brother Elmer who survives him. Over a period of years he was connected at different times with the cigar lithography business as well as the cigar box business.

He was one time president of the American Box Supply Company of Detroit, and later connected with the Acme Corporation of St. Louis which dealt in cigar box lumber.

Interment was in Hillside Cemetery, Plainfield, N. J., on Tuesday, April 21, 1931.

"ROYALIST" MAKING GAINS

The "Royalist" cigar, manufactured by the recently organized Grabosky Brothers, Incorporated, 20 North Second Street, is meeting with increased demands, far exceeding expectations so soon after the beginning of manufacturing operations, and new workers and sales representatives are being added to the force rapidly.

The most recent additions to the sales force are Walter Webb, well-known salesman, who will cover the Main Line territory, and George Aussprung, also well known to the trade, and who will cover the city of Camden, N. J.

LUMLEY AND WHITE IN ATLANTIC CITY

I. B. White, manager of the cigar department of John Wagner & Sons, Dock Street, distributors of high-grade imported and domestic cigars, and Ben Lumley, Carl Upmann representative for this territory, spent three days last week in Atlantic City, making their headquarters at the Hotel Ambassador.

They found business in the "Playground of the World" taking a seasonal upturn and retailers anticipating an excellent year.

CONNECTICUT TO PLANT MORE

According to reports, Connecticut valley tobacco growers will increase their plantings of broadleaf tobacco over their 1930 harvested acreage. The intended acreage this year is 13,800, against 12,450 last year. There will be a smaller acreage of Havana seed this year, with 11,300, as against 11,650 acres harvested in 1930.

BAYUK CIGARS EARNINGS

Bayuk Cigars, Incorporated, report total net income for the March quarter of $147,123, after deduction for maintenance and repairs and estimated Federal income taxes, compared with total net income of $227,981 for the same period of 1930.

CIGARETTES HAVE NOT REACHED LIMIT

According to a statement by Paine, Weber & Company in a discussion of the R. J. Reynolds Tobacco Company, there are no indications that any of the leading tobacco companies in the cigarette field have reached the limit of their expansion.

SUNSHINE MELLOWS

Heat Purifies

LUCKIES are always kind to your throat

The advice of your physician is: Keep out of doors, in the open air, breathe deeply; take plenty of exercise in the mellow sunshine, and have a periodic check-up on the health of your body.

Everyone knows that sunshine mellows—that's why the "TOASTING" process includes the use of the Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED"—an extra, secret heating process. Harsh irritants present in all raw tobaccos are expelled by "TOASTING." These irritants are sold to others. They are not present in your LUCKY STRIKE. No wonder LUCKIES are always kind to your throat.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

"It's toasted"

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

PROVISIONS of the Cuban-American treaty of reciprocity, providing for a 20 per cent. reduction in import duties on merchandise imported from Cuba, do not apply to the revenue stamps which must be affixed to boxes of Cuban cigars before they are released from customs custody, it was held April 15 by the United States Court of Customs and Patent Appeals, passing on the protest of Faber, Coe & Gregg, Incorporated.

The importers brought in cigars from Cuba and purchased the necessary internal revenue tax stamps, which were affixed to the merchandise and canceled by customs officials while the merchandise was in customs custody.

A protest for refund of 20 per cent. of the value of the stamps was filed, it being contended that the involved taxes are customs duties. It was admitted that theretofore the practice of levying the revenue taxes on Cuban cigars without deduction of 20 per cent. had not been questioned by the Cuban Government, the suit being brought as a test case.

The law provides that the stamps shall be affixed while the merchandise is in customs custody, but, the appellate court pointed out in its decision, the treaty with Cuba provides that "any tax or charge that may be imposed by the national or local authorities of either of the two countries upon the articles of merchandise embraced in the provisions of this convention, subsequent to importation and prior to their entering into consumption in the respective countries, shall be imposed and collected without discrimination upon like articles whencesoever imported."

"In view of the fact that, generally, customs duties become a lien on imported merchandise at the moment of its arrival within the limits of a port of entry, and, as taxes imposed on imported merchandise, while it retains its 'distinctive character' as an import, are customs duties, regardless of whether they are imposed at the time of importation or subsequent thereto," the decision continued, "it is obvious that the contracting parties intended to distinguish between the regular tariff duties (made preferential in respect to all like imports from other countries), and other additional taxes, including additional customs duties, imposed on imported merchandise subsequent to its importation and prior to its entering into consumption, and to provide that, as to the regular tariff duties, the rates therein provided should continue preferential in respect to all like imports from other countries, whereas, the additional taxes, including additional customs duties, should be imposed and collected without discrimination upon like articles whencesoever imported.

"Accordingly," the court said, in reversing the decision of the United States Customs Court, "we are of opinion that appellant is not entitled to a reduction of 20 per cent. of the additional customs duties imposed by section 400 of the Revenue Act of 1926."

Sale of Cigars, Cigarettes and Tobacco Shown to Be Profitable in Retail Grocery Stores

That net profit resulted from the sale of cigars, cigarettes and tobacco in retail grocery stores is revealed in an analysis of these items made public today by the Department of Commerce in connection with the study of commodities as part of the Louisville grocery survey.

The report shows that the sale of all tobacco items accounted for a little over 2 per cent. of all sales in the twenty-six stores studied, with cigarettes representing more than one-half of the sales of all tobacco. Four items of cigarettes accounted for more than three-quarters of the total cigarette sales and these items accounted for 97 per cent. of the total cigarette net profit. They also made more dollar profit than was made by the entire tobacco department.

In reducing the price of cigarettes from 15 cents a package to two packages for 25 cents, the report shows that such a reduction resulted in a lower net profit per dollar of sales because of the lower gross margin, in spite of the fact that it cost more per dollar of sales to sell them at 15 cents per package than at 25 cents for two packages.

The study reveals also that tobacco products had the advantage of a turnover rate more than twice as great as that of all grocery goods, other than perishables, cigarettes having the highest turnover rate of more than forty-two times a year, cigars with a turnover of ten times a year. The importance of turnover as an operating factor and how it can be regulated to a large extent by the store manager is included in this discussion.

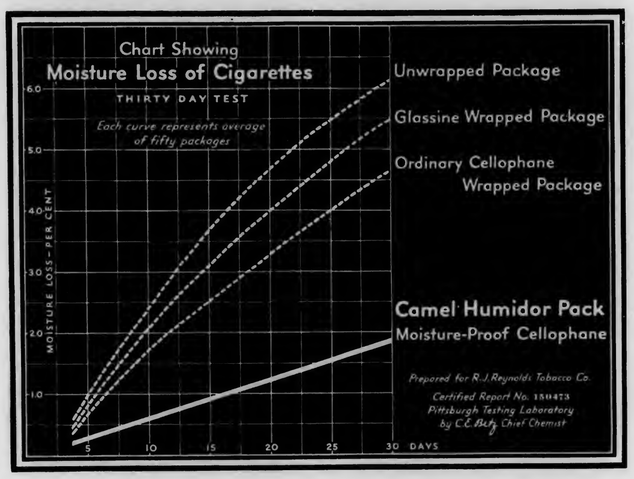
The report further indicates that tobacco products are "impulse goods" and that good store display in a conspicuous location should promote the sale. Interesting facts such as cash and carry customers purchasing more tobacco than charge customers and the decided tendency towards greater tobacco sales percentages in grocery stores in the lower income class communities, are made a part of this release.

This study is based on the analysis of food trades carried on in Louisville, Kentucky, by the Department of Commerce and is the last commodity study that will be released before Part III is published in its final form, which will include the analysis of all commodities studied. Two sections of the final report are avail-

(*Continued on Page 14*)

Smoke a FRESH Cigarette!

Cigarettes in prime condition have a moisture content of about 10%. It will be seen by the Pittsburgh Testing Laboratory Chart that cigarettes in the ordinary wrapped package lose more than half of their total moisture in thirty days and that only the Camel Humidor Pack delivers cigarettes to you in prime condition



THE whole country is talking about the throat-easy mildness and the prime freshness of Camel Cigarettes in the new Humidor Pack.

The above chart prepared by the Pittsburgh Testing Laboratory tells you why.

Please examine it carefully. It is an unfailing guide to cigarette selection and enjoyment.

As you can quickly see by the three upper curves on this interesting chart, cigarettes that lack the protection of the Humidor Pack lose their moisture rapidly from the day they are manufactured. And day by day as this moisture disappears, the smoke from these cigarettes becomes *harsher, hotter, more unkind to the smoker's throat.*

Not so with Camels!

The Humidor Pack is moisture proof and sealed air-tight at every point. It protects the rich, flavorful aroma of the choice Turkish and Domestic tobaccos of which Camels are blended.

Make these tests yourself

It is so easy to tell the difference between parched dry cigarettes and fresh prime Camels that it is no wonder everybody is reaching for a *fresh* cigarette today.

Your fingers identify stale, dried-out tobaccos at once. While a Camel is flexible and pliant.

Your ears can tell the difference too. For a dust-dry cigarette crackles under pressure.

But the real test is taste and there is simply no comparison between the rich mildness of a Camel and the hot, brackish smoke from a stale, dry cigarette.

Switch to Camels just for today then leave them tomorrow if you can.

R. J. REYNOLDS TOBACCO COMPANY
Winston-Salem, N. C.

CAMELS

Artificial heat in houses and apartments soon dries the moisture out of cigarettes wrapped the old fashioned way. It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton—this cigarette will remain fresh in your home and office.

© 1931, R. J. Reynolds Tobacco Company

2,000,000 "WHITE OWLS" WEEKLY

AT THE plant of the General Cigar Company in Binghamton, N. Y., it has been announced that nearly one thousand workers are employed and they are turning out an average of more than 2,000,000 cigars each week.

Ralph G. Josephs, general manager of the plant, stated: "We now have all our cigarmaking machines installed, a total of 122, and our 980 workers are producing more than 2,000,000 cigars weekly. After our workers reach a high standard of efficiency, which will come with more experience, we hope to increase the output to approximately 2,500,000 cigars weekly."

The Binghamton factory of the General Cigar Company was completed in 1927, and production began early in 1928. The factory was located in Binghamton through the efforts of the Binghamton Chamber of Commerce, in competition with more than thirty other cities which endeavored to obtain the new plant.

The factory is the second largest plant of its kind operated by the General Cigar Company and is among the largest cigar manufacturing plants in the world. The company in recent years, through the steady increase in its business, has become the largest cigar manufacturing concern in the United States.

The production of the Binghamton plant is principally "White Owls."

ON SMOKING CIGARS

Jay E. House, in his column "On Second Thought," in the *Public Ledger*, Philadelphia, April 28, 1931, writes the following as his views on cigar smoking: "Once again a client brings a problem for solution. 'Please write about smoking,' asks N. J. L., 'especially cigars. Do they really hurt you, and what effect have they ever had on you? Since you are an inveterate smoker, I am anxious to learn yours views."

Mr. House replies as follows: "What we really think about cigars is that they are swell. Cigars are our favorite smoke. . . . We don't know what effect cigars have or whether they hurt us. We have not the faintest idea what we should have been like had we never smoked. We know we did a little better in every way after we started smoking. And, having broken the ice, we speedily acquired other habits which we still cherish. What we really think is that learning to smoke 'made' us. What we regret is that we acquired none of our cherished habits soon enough. By being a backward country boy we lost three or four good years of habit-enjoying. Those are our views."

TOBACCO CONSUMPTION GAINS IN CANADA

Smoking is increasing among Canadians and tobacco to the value of millions of dollars is going up in smoke every year. The latest report on the tobacco manufacturing industry in Canada, for 1929, says "Canada Week by Week," shows that the gross value of tobacco products was $85,165,206, equal to more than $85 per head of the population of the Dominion. The 1929 value of production was $8,337,749 over that of 1928.

The principal item in the 1929 tobacco account of $85,165,206 was for 4,966,612,000 cigarettes, priced at $49,258,851. More than 90 per cent. of the increase is accounted for by cigarettes. Package smoking is the second item on the list, valued at $16,685,784.

CHAIN STORE EXPANSION NOT DANGEROUS TO INDEPENDENT RETAILER

PRINTERS' INK WEEKLY, a journal for advertisers, published in New York City, and probably one of the most widely read business publications in existence, has recently completed the publication of a series of twenty-five articles on the chain store situation, by M. M. Zimmerman, and in the concluding article, headed "Summing Up the Chain's Past, Present and Future," Mr. Zimmerman states:

"Our first conclusion is: Chain-store expansion has not made sufficient progress to warrant the conclusion that its growth is dangerous to the future of the independent retailer. The chain will never control our system of distribution. There were, in 1930, some 7837 chain-store systems, operating less than 200,000 unit stores, as compared with over 1,264,000 independent retail outlets. The independents were responsible for approximately 78 per cent. of the country's retail volume, as compared with 22 per cent. for the chain. If we include the independent department store's sales volume, which was not figured in our computations, it is questionable if the chains' sales volume approximates even 15 per cent. Yet we are constantly being told that the chain will soon control the major volume of the country's retail business.

"In our analysis of the total number of unit stores we found that not more than 20 per cent. of the entire 7837 chain systems, or less than 1600, operate over ten units each. We found, moreover, that any chain-store system with less than ten units can still be classed an independent merchant operator.

"In arriving at our conclusion that chain-store expansion, with the exception of the food field, has not assumed such proportions that its future growth must be looked upon with great alarm, we present a summary of the actual position of the chain in the fields where it is in competition with the independent as follows."

In the cigar and tobacco industry, Mr. Zimmerman states: "Competition chiefly price cutting, but independents more than holding their own, and dominate field. Entry of food chains has added chiefly to price cuting problems." . . .

"The evidence is clear and outstanding that even in those fields where chains have presented the most problems, especially in the food field, efficient independent merchants are holding their own against chain competition and are waging a successful fight. By organizing into groups, pooling their buying, planning co-operative advertising and by adopting chain methods of store and merchandise display, the independent merchant is not only overcoming the advantages which the chain is presumed to enjoy, but is creating advantages for himself which the chain is not able to offset. The wide-awake merchant is making use of the priceless weapon of personality which he long neglected and which the chain, even with its high-powered organization, has so far not been able to develop. By using the chain's own weapons of quantity buying, selling and advertising, combined with his ability to render personal service in his own store, the independent has become a worthy foe of the chain—in fact, a more difficult competitor than the chain encounters in the new chain vs. chain competition. . . .

"The experience of some manufacturers in doing business with chains has not been as profitable and as pleasant as they had hoped or expected. There are chains which have not played the game squarely and have disregarded the ethics of sound business principles, simply because they were placed in a position

where they could take advantage of the weakness, or lack of a definite policy, of some manufacturers.

"In the last few years, however, there has been a decided change in the chains' attitude and policies. Some of the chains have already revamped their policy, not only toward the manufacturer and the independent, but toward the community in which they operate. If the chain, however, is to continue without organized agitation against it in the future, it must develop a greater civic conscience, a greater spirit of 'live and let live.'"

Referring to the private brand, Mr. Zimmerman states: "Price cutting is responsible for the private brand. The first step in eliminating the private brand is to discourage price cutting. This step must be taken by the national advertiser who encourages the practice through special deals he arranges to have his brand featured at low prices during special 'sale' days. Legislation will not solve the private brand problem. Neither will it solve price cutting. When the profit on advertised brands becomes a certainty, and not an imaginary one, as it is today on many of the foot-balled brands—then the private brand problem should disappear.

In conclusion, the article states, "The chain will remain. It has made a place for itself in distribution and its 'cash and carry' contribution to our system of selling has been accepted as the shortest cut in bringing commodities at the lowest possible cost to the consumer who does not need 'service.'"

TOBACCO-FED CHICKS MAKE BETTER BROILERS

According to experiments being carried on at the Pennsylvania State College, tobacco fed to baby chicks is making them into bigger and better broilers. This nicotine diet, in the fully-grown fowl, makes healthier hens and roosters.

Suspecting that harm may come from other tobacco ingredients than nicotine, Dr. J. E. Hunter and Dr. D. E. Haley, of the Department of Agriculture and Biological Chemistry, have been feeding tobacco rich in nicotine, a diet with less tobacco, but a bigger "kick." The material is made by grinding the whole tobacco plant.

LIGGETT & MYERS DIVIDEND

Directors of the Liggett & Myers Tobacco Company last week declared the regular quarterly dividends of $1 each on the common and common B stocks, payable June 1st to stockholders of record May 15th.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

YORK HAS NEW CIGAR COMPANY

THE UNITED States Cigar Company, Incorporated, has been organized in Pennsylvania and has recently begun operations in York, manufacturing a short smoke described as "free from cigarette paper."

The new company has absorbed the Manufacturers Binder Company and the Sherman Cigar Company, and the new product is made of pure tobacco with a patent tobacco leaf for the wrapper.

Two plants are in operation in York and running to capacity with new machinery of the latest type. Experienced blenders have been employed and it is estimated that several hundred persons will be employed when additional machinery is placed about July 1st.

The brands manufactured are "Miniature Golf," packed in packages of five in cellophane, to retail at five cents a package, and "The Flying Habit," packed in packages of twenty, to retail at fifteen cents.

LORILLARD BONUS RESTRAINT CONTINUED

THE ORDER temporarily restraining the P. Lorillard Company from adopting a change in their stock bonus plan to employees was continued on April 15th by Vice Chancellor Bigelow, in Jersey City, N. J.

The Vice Chancellor ruled that the plan, which proposed distribution of a bonus to employees and officers in proportion to their holdings of common stock, is illegal in New Jersey unless unanimously approved by the stockholders.

Shelton Pitney, attorney for the company, said an immediate appeal would be taken to the Court of Errors and Appeals. Plans for holding the annual meeting May 5th will be held in abeyance pending the appeal, it was stated.

The restraint order was originally granted last month on petition of Scott & Stringfellow, Richmond (Va.) brokers, representing eleven minority stockholders in that city. It was amended to allow the election of directors at the meeting, but that election has since been attacked in the Supreme Court.

Bigelow held that the present bonus plan had been in effect since 1921 under a by-law adopted in that year, and that while the plaintiffs had acquiesced in the present by-law, they were not stopped from opposing an amendment of it, and that no majority of the stockholders, however large, could bind a complaining minority to an amendment.

He also declared he would enjoin a vote by the stockholders to amend their own earlier resolutions of 1925 and 1929 conferring authority upon the directors to sell stock to officers and employees.

He based the decision on the grounds that attending stockholders "would not know that in voting for the amendment they would be waiving their pre-emptive rights, while those voting 'No' would be preserving their pre-emptive rights to subscribe to the shares in question."

SWEDISH MATCH DIVIDEND

The Swedish Match Corporation last week announced a 15 per cent. dividend for 1930. The dividend amounts to 27,000,000 krone ($7,290,000).

Net profit of the corporation for the year 1930 is reported as $15,442,000, compared with $14,536,000 in 1929, an increase of $906,000. Including the profit transferred from last year of $4,601,000, the sum at the disposal of the annual meeting was $20,043,000, against $17,213,000 in 1929.

The directors propose to carry forward the balance of $12,807,000, after dividends, to the profit and loss account, as compared with $9,977,000 carried forward in 1929. It is also proposed to pay the usual interim ividend of 5 per cent. for 1931 during the latter half of this year.

The company's total assets are $185,102,000, against $172,843,000 at the end of 1929.

MANILA CROP PROSPECTS GOOD

The Cagayan and Isabela tobacco crops are reported as good but in need of rain. Purchase of the La Union crop has commenced. March exports of raw leaf, stripped and scraps, totaled approximately 2790 metric tons, of which 1966 tons went to Spain and 241 to the United States. No improvement was noted in sales of cigars to the United States, which amounted to 11,780,000. American purchases of Philippine cigars in the first quarter of the year were 15 per cent. below the corresponding period in 1930.

ULTRA VIOLET RAY DIVORCE COURT FOR OXYGEN

CHEMICAL love affairs and divorces among atoms of oxygen are responsible for the effects of ultra violet rays on tobacco leaves, it is reported by Dr. E. E. Free and Mr. C. C. Clark of New York City, in a paper on the "Industrial Uses of Ultra Violet" presented before the Illuminating Engineering Society.

Ordinary oxygen such as we breathe in the air consists, Dr. Free and Mr. Clark explained, of oxygen atoms contentedly married to each other in conventional pairs. Each oxygen atom being attached to another one, a great part of the intense chemical affinity of each is absorbed. That is why the ordinary oxygen of the air does not eat its way rapidly into oxidizable materials like iron or wood. The love affairs of the oxygen atoms include triangles too, for chemists know a kind of oxygen called ozone, sometimes formed by lightning flashes and in which the oxygen atoms are linked in threes instead of pairs.

When ultra violet rays act on the layer of air close to a leaf of tobacco, Dr. Free and Mr. Clark believe, the rays break up some of the ordinary two-atom oxygen pairs, like a chemical divorce court. The single oxygen atoms thus produced have enormous, unsatisfied chemical affinities. These atoms immediately combine, the theory is, with formic acid and other irritating chemical compounds present in all raw tobaccos and increase what is called the mildness of the product treated with ultra violet rays.

Considered practically, Dr. Free and Mr. Clark conclude from their studies at the Richmond plant of the American Tobacco Company where ultra violet rays are used in the preparation of "Lucky Strike" cigarettes, "the essential effect of the ultra violet is the production of better tobacco and of cigarettes regarded by practically all smokers who have tested them as milder and with a lesser tendency to cause throat irritation." The chemically active, single atoms of oxygen seep through the tobacco, quickly oxidizing the irritating acids and changing them into less harmful substances.

"However this may be," the New York scientists say of their theory, "the proof of the process is the smoking, and it is agreed by practically all persons who have made comparative tests that cigarettes made from the tobacco treated with ultra violet are milder and less irritating."

CIGARETTES INTRODUCED 60 YEARS AGO

Cigarettes in their modern form were introduced into America and Europe about sixty years ago. Their use may be traced to a visit by King Edward, then Prince of Wales, to India in 1878. On his way in the Serapis he stopped at Alexandria, in Egypt, where he became acquainted with the cigarette. Accustomed to smoking cigars, he found the cigarette a novelty and other fashionable Europeans took it up. When Prince Edward returned to England he placed an order for 50,000 Egyptian cigarettes. An enterprising London firm was soon exporting cigarettes to America in addition to supplying most of the European demand.

The earlier history of the cigarette is obscure. At first no distinction was made between cigarettes and small cigars; in fact, "cigarette" means little cigar. A crude form of the cigarette seems to have been used by the Spanish soon after the introduction of tobacco into Europe.—*The Pathfinder.*

MARCH CIGAR WITHDRAWALS DECLINE

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of March, 1931, and are issued by the Bureau. (Figures for March, 1931, are subject to revision until published in the annual report):

Products	—*March*— *1930*	*1931*
Cigars (large):		
Class A .....No.	282,199,945	291,397,080
Class B .....No.	31,386,467	32,148,003
Class C .....No.	129,821,200	109,260,970
Class D .....No.	10,230,854	6,876,610
Class E .....No.	1,127,251	789,747
Total	454,765,717	440,472,410
Cigars (small) .....No.	33,139,507	33,256,507
Cigarettes (large) ....No.	515,350	513,600
Cigarettes (small) ....No.	9,165,174,703	9,801,886,417
Snuff, mfd. .....Lbs.	3,637,880	3,497,016
Tobacco, mfd. .....Lbs.	27,820,487	27,551,563

Note: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of March:

Products	—*March*— *1930*	*1931*
Cigars (large):		
Class A .....No.	13,010,440	15,327,850
Class B .....No.	708,130	127,000
Class C .....No.	1,846,760	245,000
Class D .....No.	2,500	4,500
Total	15,567,830	15,704,350
Cigars (small) .....No.	1,000,000	500,000
Cigarettes (large) ....No.	528,400	200,000
Cigarettes (small) ....No.	121,200	2,000,000

Tax-paid products from the Philippine Islands for the month of March:

Products	—*March*— *1930*	*1931*
Cigars (large):		
Class A .....No.	10,147,810	13,202,120
Class B .....No.	204,167	89,247
Class C .....No.	111,936	50,010
Class D .....No.	100	580
Class E .....No.	250	500
Total	10,464,263	13,342,457
Cigarettes (large) ....No.	.....	600
Cigarettes (small) ....No.	367,950	146,720
Tobacco, mfd. .....Lbs.	188	55

Note: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the March Statement of Internal Revenue Collections

Objects of Taxation	*First Nine Months Fiscal Year* *1930*	*1931*
Tobacco manufactures:		
Cigars	$16,394,723.07	$13,761,961.98
Cigarettes	265,104,168.29	264,667,376.49
Snuff	5,514,365.40	5,376,702.29
Tobacco, chewing and smoking....	45,064,802.03	43,522,074.42

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THE CIGARETTE
IS MIGHTIER
THAN THE PEN

OLD GOLD tells its own
Taste winning story
Better than all
The diction in
The dictionary.
It's a
TRUE story
And the truth
Is something
That can't be
Hidden!

OLD GOLD
CIGARETTES NOT A COUGH IN A CARLOAD

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED
The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"

Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

able, "Census of Food Distribution" and "Credit Extension and Business Failures." Part II on "Cost, Markets and Methods in Grocery Retailing," now in the hands of the printer. The first two reports in connection with the Louisville Grocery Survey, "Credit Extension and Business Failures," price ten cents, and "Census of Food Distribution," price fifteen cents, are available from the Superintendent of Documents, Government Printing Office, Washington, D. C.

Copies of "Selling Cigars, Cigarettes and Tobacco Through Retail Stores" may be procured without charge from the Bureau of Foreign and Domestic Commerce, Washington, or from any of its branch offices located in principal cities throughout the country.

Violation of Antitrust Law Not to Be Condoned by F. T. C.

Violations of the antitrust laws under the guise or as the means of improving business conditions will not be condoned by the Department of Justice, but at the same time the Department will make no unwarranted attacks on any business institution and will regulate such action as must be taken so as not unnecessarily or unduly to aggravate distress.

This policy of the Department was enunciated by Attorney-General Mitchell in an address before the Law School Association of the University of Minnesota.

The Attorney-General denied that the Government has embarked upon any extensive campaign of trust-busting, pointing to the rather limited record of prosecutions which have been brought during the past year. He made it clear, however, that the requirements of the antitrust laws will be fulfilled.

The head of the Department of Justice paid considerable attention to the trade association question, pointing out that while such organizations are useful institutions, not unfrequently they are devised and used as a means or pretext for violating the antitrust laws, either through the fixing of prices or the suppression of competition. The Department, however, has never attacked in the court any trade association code of rules that have been approved either by the Federal Trade Commission or by the Department itself, and if any trade association operating under rules approved by the Federal Trade Commission has been attacked it has been because the organization has been distorting its rules or going beyond them and doing acts which the trade commission never approved or considered.

"The department is not unfriendly to trade associations," he said. "On the contrary, it thoroughly believes in them. I am told that the Federal Trade Commission is re-examining some of the trade association rules they have heretofore acquiesced in, but that action does not represent an unfriendly attitude on the part of the commission toward such associations.

"As I understand it, the action of the Department and the commission is directed at putting a stop to trade association practices claimed to be in accordance with rules approved by a public authority, but which, in fact, go beyond anything which any governmental agency has accepted as lawful."

Imports Entered Under Duress Present Difficult Problem

Officials of the customs service are struggling with a difficult problem as to treatment of imports entered under duress and retained for examination, as a result of a decision by the United States Court of Customs and Patent Appeals in which it is held that final appraisement must be suspended in cases of merchandise similar to that which is the subject of appeal to determine the correct dutiable value. The situation is created by a provision in the 1930 tariff act forbidding delivery until a final appraisement has been made.

Strict interpretation of the law, in view of this decision, it is said, would put an end to the practice of granting to importers possession of their shipments after tentative approval of the entered value based on the invoice figures, plus an addition to meet the higher total claimed by the Government. A final valuation, it is pointed out, could not be fixed until the courts had ruled on the test case, and in the meanwhile months and even years might intervene during which importers would be without that portion of each shipment detained for examination.

The matter was referred to the customs bureau here by officials in New York, and several conferences have been held in an effort to find a way of meeting the situation. Pending instructions as to a change in practice, delivery is being granted as heretofore of packages entered under duress and temporarily held for inspection at the appraisers' stores.

The payment of duties under duress is provided for in the tariff law where an importer has frequent shipments on which he and the appraiser do not agree as to the proper market value. When an entry is made on a definite value and is advanced by the appraising officers, a penalty equal to the percentage of increase is assessed. The importer may appeal to the courts in an effort to prove the entered value and while the case is pending has the privilege of adding to each subsequent entry enough under duress to meet the duties claimed by the customs. This relieves him of penalty and in the event he wins the case a refund is made of the difference in duties.

Instances of disputes in value are frequent and in the course of a year thousands of entries are made with duress additions. Because of crowded calendars and time consumed in gathering data from abroad, it is usual for long periods to elapse between the initiating of a test case and final court decision. In the meanwhile, importers must continue to do business. An example is cited of certain merchandise from Japan. The Government claims a Japanese consumption tax should be included in the dutiable value and the litigation has been in the courts for ten years so far.

Three Plans for Reduction in Income Tax Suggested in Report

Three separate plans for a reduction in Federal taxes on earned income, which would save taxpayers of the United States from $20,000,000 to $34,000,000 annually, were recommended in a report submitted to Representative Hawley of Oregon, chairman of the joint congressional committee on internal revenue taxation, by L. H. Parker, chief of the division of investigation.

Declaring that "there appears to be no reason why earned income arising from personal endeavor should not receive as much consideration as capital gains occurring in many cases without effort on the

(Continued on Page 16)

BULGARIAN TOBACCO REGAINING POSITION

THE cultivation of tobacco in Bulgaria dates back to the last century, while the country was still under Turkish rule, and the product was then only known as Turkish or Oriental tobacco. After liberation, however, says *The Bulgarian British Review,* several of the most valuable tobacco producing areas remained within the original Bulgarian frontiers, namely those in Macedonia and eastern Thrace, which produced the well-known types—known for many years on the foreign markets as Turkish—of Xanthi and Kavalla, etc., and were gradually developed. This development took a more definite form from the beginning of the present century, and continued up to the first Balkan War in 1912, and the tobaccos gradually became known as "Bulgarian" on the European consuming markets.

The wars of 1912-'13 and the great war, with their respective treaties entirely altered the map, and several originally Turkish and later Bulgarian important tobacco producing centers passed to other countries, leaving only a comparatively small area within the boundary of the present defined frontiers. The production during the period of the great war was consumed mainly in Germany and Austria.

From 1920 the Ministry of Agriculture has given particular attention to this industry and every encouragement to the producers to improve and cultivate the higher grades of tobaccos demanded by the European consuming markets. As a result of the gradual improvement which was made in the quality of the higher grades since 1922, several large European tobacco firms, erected, in or near the producing areas, large modern depots for storing, preserving and manipulating the tobaccos for export.

DANIELS JOINS "C. H. S."

Harry Daniels, well known to the trade in New York City and vicinity, as a former retailer and subjobber for that section until a few years ago, when he entered the real estate field, has completed negotiations with Val M. Antuono, well known Tampa cigar manufacturer, and has now re-entered the cigar industry and will represent Mr. Antuono in the sale of his "C. H. S." five-cent cigar in the metropolitan area.

The "C. H. S." is a real quality five-cent cigar that is appreciated by discriminating smokers and meets with a ready demand wherever placed. This brand is manufactured in two popular sizes, one size being Shade wrapped with full Havana filler, and the other size a clear Havana.

Mr. Daniels met with a hearty welcome from his old friends and customers in the trade and has already forwarded some very substantial orders to the "C. H. S." factory in Tampa.

DUYS SETTLED IN NEW QUARTERS

The well-known leaf tobacco importing firm of H. Duys and Company, formerly located at 142 Water Street, New York, last week completed the removal of their office headquarters into their new building across the street at 141 Water Street.

The new offices of H. Duys and Company are fitted up in accordance with the high ideals of the company, with ample provision made for the comfort of their customers who visit the offices, as well as providing for the comfort and welfare of the officials and employees.

EVANSVILLE NOW AN INLAND SEAPORT

BRITISH SMOKERS are filling their pipes with Kentucky tobacco shipped by water all the way from Evansville, Ind., since the recently opened Mead Johnson water-rail-truck terminal on the Ohio River here transformed that city into an inland seaport.

Two tobacco exporting firms in Henderson, Ky.—the Imperial Tobacco Company and the Charles T. Argue Tobacco Company—are now utilizing the new terminal in shipping their product via waterways to the British market. From Henderson the tobacco is hauled in hogsheads over highways by motor truck eleven miles to Evansville. There it is transferred onto river barges at the Mead Johnson terminal and towed down the Ohio and Mississippi to New Orleans, whence it is shipped by ocean liners to Great Britain.

"Trial shipments totaling 300,000 pounds of tobacco left the terminal recently, consigned for Liverpool and Dublin, Ireland," said J. D. Beeler, general manager of the terminal, "and because of the marked savings in waterway haulage between Evansville and New Orleans, an extensive export trade in tobacco by water will be built up. It was found that the freight rate by waterways on the tobacco from Evansville to New Orleans is 11½ cents per 100 pounds cheaper than by rail, the rates respectively being 54.5 cents per 100 by rail and 43 cents per 100 by waterways."

The extent to which inland waterways transportation is developing, Mr. Beeler pointed out, is indicated by the fact that in addition to tobacco, many other commodities are being handled through the new terminal from points in the Middle West to the ports of the world.

GERMAN DUTY AFFECTS DOMINICAN MARKET

At the end of 1930 the tobacco market at Puerto Plata was fairly strong but due to the new German tobacco duty, which happens to affect most of the low grade tobaccos, among them Dominican, the market was seriously affected. At the end of the year stocks available for export but unshipped, number 14,000 bales with 25,000 bales in Europe reported unsold. The average price during the closing quarter of the year was $6.50 a bale of 132 pounds f. o. b. steamer for good average quality. There are no official agricultural statistics available but the 1930 crop estimate as now unanimously agreed, was about 300,000 bales or approximately 40,000,000 pounds.—Vice-Consul Elvin Seibert.

"SMILES" MAKING HEADWAY

"Smiles" cigarettes, recently introduced by Stephano Brothers, Philadelphia manufacturers of the well-known "Rameses" cigarettes, is make steady progress among smokers wherever it has been placed.

The "Smiles" cigarette is manufactured of a pleasing blend of Turkish and domestic tobaccos, and comes in the conventional cup package of twenty cigarettes to retail at fifteen cents. The package is in attractive colors and cellophane wrapped.

HARRIS IN PHILADELPHIA

A. Harris, in charge of the private brand department of the American Tobacco Company, was a recent visitor in Philadelphia in the interest of "Johnnie Walker" cigarettes.

News from Congress

(Continued from Page 14)

part of the taxpayer," the report recommended the adoption of one of the three following systems of taxation:

The first proposal recommended by Mr. Parker is a deduction of 12.5 per cent of the earned net income from the income subject to normal and surtax. Under this plan, it was estimated, approximately $34,000,000 would be saved for the taxpayers.

The second plan would allow a 33 1-3 per cent. deduction from the income subject to normal tax only, under which proposal the burden of taxation would be reduced by $24,000,000 annually.

The third proposal was made up of a table of "constants" so designed as to permit of the determination of an earned income tax credit directly from the table as soon as the earned net income has been computed. This would result in a saving of $20,000,000.

While no preference was shown in the report to the adoption of any of the three plans, attention was called to the fact that earned income is more uncertain than income derived from capital. "If the investor places his funds with reasonable care," the report said, "without the objective of exorbitant profits, he is assured of a stable income.

"On the other hand," it was added, "the individual with earned income is always confronted with the responsibility of illness or accident, either of which may temporarily or permanently suspend his income, thus creating the necessity for savings to protect him and his family from charity."

Chain Stores Do One-third of Total Business

Approximately one-third of the retail business in cities of 10,000 population or more is done by chain stores, according to an analysis of returns from the census of retail distribution just completed by the Domestic Commerce Division of the Department of Commerce.

Experts in the division analyzed returns from 485 cities with a total retail business of $15,106,308,247, showing that 62.5 per cent. of the business was transacted by single-store independents, 19.44 per cent. by local chains, 16.90 per cent. by sectional and national chains and 1.16 per cent. by stores of other classes.

The analysis disclosed that the share of the independent dealer in the total business decreased as the population of the cities increased, 71.99 per cent. of the business being done by independents in 319 cities between 10,000 and 30,000 population, but only 50.12 per cent. in two cities of 1,000,000 or over.

"There is only the slightest variation from this principle of the larger the city the larger proportion sold by multi-units, when the group averages are considered, either among local multi-units or sectional and national chains," it was commented.

"Small chains of a few local stores, classified as local multi-units followed single-store independents in importance with nearly 20 per cent. of total sales, or nearly one-third as much as single-store independents. This figure varies from 13 per cent. in cities of 10,000 to 30,000, the smallest size of cities reported separately by the Census Bureau, to 29 per cent. average for the two cities of over a million population.

"Sectional and national chains account for approximately 17 per cent. of total sales, with only 13 per cent. of the business in the smallest classification of cities done by this group and 19.02 per cent. in the larger cities."

These percentages, being based on only half of the cities of over 10,000 population, may possibly be materially changed by the returns not yet available, it is pointed out, but they are considered significant, particularly in view of the close correlation between the city and the division of sales between different types of stores.

CONNECTICUT FINDS NEW ACIDS

According to an announcement in a new publication of the Connecticut Agricultural Experiment Station, "Chemical Investigations of the Tobacco Plant, Part 1," by Dr. Hubert Bradford Vickery and Dr. George W. Pucher, a new class of acids has been discovered in studies of the chemistry of the tobacco plant.

What these new acids are and what they contribute to the life of the plant is still unknown. Tobacco was selected for study because of its crop value in Connecticut, its availability and the interesting chemical problem that nicotine presents.

The investigators found that widely accepted methods for study of acids were inaccurate. The method they developed not only yielded more accurate results, but also revealed the presence of acidic substances of new and unlooked for types.

These newly discovered acids compose almost 40 per cent. of the acidic substances in the tobacco seed and leaves.

In addition a number of well-known acids are present. Malic acid makes up about 3 per cent. of this dry weight of mature tobacco leaves, and citric acid is also present.

No Change to Be Made in Methods of Tariff Commission Investigations

No change will be made by the Tariff Commission in its present methods of conducting its costs of production investigations under the flexible provisions of the Hawley-Smoot Tariff Act.

New methods of conducting such investigations were suggested at a recent hearing before the commission by Charles W. Holman, appearing for a number of farm organizations.

"We believe the present proceeding of the Tariff Commission in holding a public hearing at the outset of an investigation, when the commission itself has not determined the policy it will follow in determining costs of production does not give the parties interested a chance to exercise their full rights or present their final views," Mr. Holman said.

"We earnestly request that the commission, before making a final report to the President or to Congress will make a preliminary report to be distributed to interested parties, and then hold another hearing at which parties interested may be present and produce additional evidence on information gleaned from this preliminary report."

Mr. Holman said that such a privilege has been granted by previous commissions, adding that the best interests of the public would be served by the commission in reviving the practice of previous commissions of announcing decisions concerning evidence which was submitted to them in confidence.

At the close of the hearing, Henry P. Fletcher, chairman of the commission, declared that after a discussion among members of the commission it had been decided that the request would not be granted.

Editorial Comment

(Continued from Page 3)

Cigars used to be bought with the eye; today they are bought on reputation, and reputation is an evanescent thing as the cigar withdrawals indicate.

We have yet to learn of any definite scientific investigation to determine what chemical changes, if any, occur in cigars wrapped in transparent coverings.

An unprecedented demand for the transparent wrapper has swept the country, and the cigar manufacturing industry for the greater part has had to concede to the use of this new covering whether it believes in it or not.

In newspaper circles it is an adage that the snap judgment of the public is usually 90 per cent. wrong in times of public uprisings against this or that. And while we think the percentage is a little high, so far as this clamor for the transparent wrapper is concerned the average retailer doesn't know anything about it. But he ought to know, and the figures of cigar withdrawals are irrefutable proof, that transparent wrappers, substitute containers, and all the other clap-trap fads and fancies for which the cigar manufacturer has fallen, have failed to contribute anything to increased cigar sales.

And it might be a good thing to bear in mind that when the industry loses a cigar smoker today, it is losing an asset that will cost plenty to replace, if it can be done at all.

It is an established belief, if not a fact, that Spanish cedar is the most favorable wood that can be used in a cigar container. Forty years ago practically all cigars were packed in Spanish cedar boxes. Even ten or fifteen years ago it was used to some extent in all boxes for the higher grades of cigars. And today many manufacturers of clear Havana brands insist on cigar boxes made entirely of Spanish cedar. Certainly some Spanish cedar should be in every cigar box.

Such manufacturers are today resisting the demand that they put transparent coverings on their cigars. The argument is that they do not believe it beneficial to fine Havana tobaccos. If this is a fact, which is yet to be established, why would it not apply to other tobaccos as well?

The protective quality of the transparent wrapper is admitted, but what does it profit the cigar manufacturer in the face of declining sales?

And speaking purely from the cigar manufacturer's standpoint, he needs all the cigar breakage he can get to bolster up his sales. So far as the retailer is concerned modern methods of distribution have reduced his breakage to a minimum. He is not permitted to carry any large stock of the leading brands on hand to dry out and break in handling. The smart manufacturer doesn't build a machine so good that he will never get an order for new parts.

The following anecdote from the "New Yorker" awakened a new line of thought with us, and perhaps it will get across with some of our readers who are interested in increasing cigar sales.

"During the filming of a comedy recently, the director wished to get the effect of water being poured out of a barrel onto some boards.

"The sound technician was consulted.

"They tried dried peas on oiled paper, and that wasn't it, and they tried dropping dressmaker's pins on a taut square of silk, and that wasn't it. Finally a quiet fellow who was standing by said, 'Suppose you try pouring water out of a barrel onto some boards.'

"They tried it.

"That was it."

We are just wondering if some courageous cigar manufacturer would be willing to try packing his cigars in their natural wrappers in wooden cigar boxes with a little bit of Spanish cedar in them to give the old woody fragrance, and see if by comparison the old-style wooden cigar container and the old method of packing cigars is still not the best.

Why not try it?

Perhaps that's it!

And then it may be that some of the smokers who have turned to the use of tobacco in other forms, and some of those who are about to give up cigar smoking permanently, will say again:

"Open the old cigar box—let me consider anew—
old friends, . . ."

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

WANTED

DISTRIBUTOR DESIRES JOB LOTS OF CIGARS IN ALL CLASSES. No amount too large. Cash proposition. Address, Distributor, Box No. 550, "The Tobacco World."

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

GUTIERREZ LOSES TRUCKLOAD OF STOCK

A. Gutierrez, Incorporated, of 106 Market Street, Passaic, N. J., was the victim of thieves recently when a truck containing a considerable quantity of his cigars was stolen. The truck was found abandoned later, but the stock of "Lo Mas," "Carlton," "Elite" and "Opal" cigars which it had contained had disappeared.

Mr. Gutierrez, needless to say, would be very glad to learn of anyone offering to sell any of these brands to retailers or others at any price below his established figures, as they would quite probably be some part of the stolen goods.

Yahn & McDonnell are the local distributors of the brands of A. Gutierrez, Incorporated.

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

DALCASSIAN CLUB:—45,874. For all tobacco products. April 2, 1931. Armio Cigar Co., Inc., New York, N. Y.

SILVER RING:—45,876. For cigars only. February 16, 1931. Cuesta, Rey & Co., Tampa, Fla.

OLD HECK:—45,878. For plug, twist, smoking, scrap, fine cut, snuff tobaccos and cigarettes. March 2, 1931. Scotten Dillon Company, Detroit, Mich.

CANCELLED TRANSFERS

MORJOY:—45,587. For all tobacco products. Registered May 20, 1929, by George Schlegel, Inc. Transferred to Yorkview Cigar Corp., New York, N. Y., March 26, 1931.

YORKVIEW:—45,568 (T. M. A.). For all tobacco products. Registered April 26, 1929, by George Schlegel, Inc. Transferred to Yorkview Cigar Corp., New York, N. Y., March 26, 1931.

TRANSFERS

MORJOY:—45,487 (T. M. A.). For all tobacco products. Registered May 20, 1929, by George Schlegel, Inc., New York, N. Y. Transferred April 16, 1931, to the Armio Cigar Co., Inc., New York, N. Y.

BY HECK:—31,220 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobacco. Registered November 16, 1915, by Pasbach-Voice Litho. Co., Inc., New York, N. Y. Transferred by the Consolidated Litho. Corp., successors to the registrants, to Scotten Dillon Company, Detroit, Mich., April 7, 1931.

WARRIOR:—1,992 (Legal Protective Association). For cigars. Registered August 17, 1885, by Sutro & Newmark, New York, N. Y. Transferred by Webster Eisenlohr, Inc., successors to the registrants, to the American Box Supply Co., Detroit, Mich., March 31, 1931.

REVIEW OF THE PHILIPPINE TOBACCO SITUATION FOR 1930

OWING to higher prices received for the Philippine tobacco crop in 1930, leaf tobacco was the only Philippine export to show a wholesome improvement during the year, according to a report received in the Tobacco Division of the Department of Commerce from American Trade Commissioner Evett D. Hester. The crop was not quite average in volume, amounting to 99,207,000 pounds, compared with an average of 102,000,000 pounds produced during the three previous years, and the improvement was on a price basis purely. The export volume amounting to 45,791,000 pounds was slightly above the average, although 22 per cent. below the quantity exported in 1929; but in value, exports amounted to 7,451,758 pesos, an increase of 9 per cent. over the average export value for the period 1925-1929. Although Philippine exports of tobacco have showed great consistency for many years, and have been characterized by rather steady price increases, the relative importance of tobacco as compared with sugar, cocoanut, and hemp production, appears to be decreasing.

Price Movement

The 1930 tobacco crop of Cagayan and Isabela turned out to be considerably inferior to the preceding year's production, containing only a small portion of good cigar leaf. Realizing this possibility early in the year, local manufacturers began buying up the better grades of old stocks of past crops for future use. Owing to the limited quantities available, prices rose during the year from 30 to 50 per cent. on these particulars lots. An example of this was the increase in price for Cayagan and Isabela grades which in January, 1930, were quoted at P8.00 to P12.00 per 100 pounds and during the closing months of the year, these same grades were being sold at P14.00 to P20.00 per 100 pounds. Prices paid for the 1930 crop from these provinces were lower than for the previous growth, averaging about P7.00 for Cagayan province, P11.50 for Isabela, and P13.00 for La Union and Pangasinan.

With increased stocks in the lower grades and satisfactory climate for production, it would seem that prices for the poorer qualities will remain about on the same level, but the better grades and even moderately good cigar leaf should command excellent prices.

Distribution and Stocks

According to trade estimates, local tobacco and cigarette factories consumed about 26,455,000 pounds of the locally grown leaf during the year; exports amounted to 45,790,000 pounds, and approximately 26,962,000 pounds were added to the stock supply, which on January 1, 1931, amounted to 137,192,258 pounds. Even with the general increase in stocks, good leaf for cigar filler is scarce.

Spain takes more than half of the Philippine leaf exports in value; Italy, about 10 per cent.; other important buyers are France, Japan, and The Netherlands. Leaf exports to the United States are negligible.

Production and Trade in Cigars

Local cigar manufacturing during the year dropped slightly below the 1929 output, the estimated total being around 285,800,000. Of this number, approximately 178,560,000 were exported and 107,240,000 consumed locally. Based on local official statistics, the 1930 average export value was 8 per cent. less than 1929 and 29 per cent. below the 1925-1929 five-year average. While the average export price remained fairly constant through 1930, there was a marked downward trend for the six years previous.

The American market for Philippine cigars during the year under review held up remarkably well considering the severe depression in the United States and the decrease in trade generally as a result. Shipments of cigars to the States, according to unofficial sources, fell off only about 2 per cent. compared to last year, being 154,134,414 in 1930 against 156,600,495 in 1929.

Exports of Philippine cigars were restricted during the past year by the action of the Australian Government which classified manufactured tobacco products as luxuries and issued a cut of 50 per cent. in allowable imports during 1930; this action was felt by Manila factories doing business there. In addition, the uncertain situation in China, coupled with continuous rumors about changes in taxes and duties, served also to reduce cigar exports to that area.

Production and Trade in Cigarettes

Local cigarette production during 1930 amounted to approximately 4,743,800,000 in number, of which only 60,380,000 were exported. There was a tendency to shift from the better grade locally made cigarettes to cheaper grades. A large number of brands of these cigarettes are reported to be selling at prices barely covering cost.

China is the only market of consequence and its takings have decreased. There is every reason to believe that the industry, both for export and home consumption, will decline rapidly, as the taste of the entire smoking world has been converted to the finer types of blended and yellow.

MAY 15, 1931

VOLUME 51 No. 10

THE TOBACCO WORLD

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OLD GOLD CIGARETTES NOT A COUGH IN A CARLOAD

THE CIGARETTE IS MIGHTIER THAN THE PEN

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Taste winning story
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TRUE story
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After all nothing satisfies like a good cigar

NINETEEN-THIRTY-ONE

Is the year for cigar manufacturers to base their decisions on facts rather than pride, prejudice, preferences or traditions.

Cigars sell better if given a quality background. Wooden Cigar Boxes increase the saleability of cigars by providing a quality setting, and permitting the most beautiful and attractive effects with printing or lithography.

"Packed in wood, they're bound to be good." That's the impression right down the line—with the jobber, retailer and consumer.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 10

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TOBACCO WORLD CORPORATION
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INTERNATIONAL MACHINERY ACQUIRES UNIVERSAL COMPANY

IT WAS announced last week that the International Cigar Machinery Company had acquired certain assets of the Universal Tobacco Machine Company, of Newark, N. J.

Vice-President D. H. Haynes, of the International Cigar Machinery Company, in a statement given out said: "The International Cigar Machinery Company has taken over certains of the assets and property of the Universal Tobacco Machinery Company, of Newark, N. J., and will continue the manufacture of the principal lines of machinery formerly made by Universal.

The International Cigar Machine Company is a subsidiary of the American Machine & Foundry Company.

NEW CIGAR FIRM FOR SCRANTON

The Continental Cigar Corporation has been formed at Scranton, Pa., to continue the business formerly conducted by Rosenthal Brothers, Inc. Plans call for the opening of the plant within a few weeks with a force of about 200 employes.

Charles Starr, of Scranton, is president and general manager of the new organization and Sol C. Korn, of New York, is vice-president and sales manager. Mr. Korn is well known to the cigar trade, and was until recently associated with the Gillette Safety Razor Company.

The new company will manufacture the "R. B." and other brands formerly manufactured by Rosenthal Brothers, and also plans to acquire other well-known brands.

HOOD RESIGNS FROM WASSERMAN COMPANY

Charles Lee Hood, vice-president of the B. Wasserman Company, cigar and tobacco importers and distributors, of New York City, and who has been associated with that company for thirteen years, has resigned from that company.

Mr. Hood accompanied his wife to California several weeks ago, due to the illness of Mrs. Hood, and it has been found imperative that Mrs. Hood remain there indefinitely in order to regain her health. This fact was the cause of Mr. Hood's resignation, which is deeply regretted by his many friends and associates.

GENERAL CIGAR COMPANY EARNINGS

General Cigar Company estimates its first quarter net profit at $445,226, equal to 75 cents a share on the common stock, against $614,250, or $1.07 a share, in the first quarter of 1930.

WILLIAMS BECOMES PRESIDENT OF REYNOLDS TOBACCO COMPANY

S. CLAY WILLIAMS, formerly vice-president and head of legal department of R. J. Reynolds Tobacco Company, was elected president last week to succeed Bowman Gray, who becomes chairman of the board of directors. W. N. Reynolds, formerly chairman of the board, was elected chairman of the Executive Committee.

TOTAL TOBACCO TAX SHOWS DECREASE

A decrease in tax collections on tobacco and miscellaneous stamp taxes was shown last week in a statement prepared by the Internal Revenue Bureau.

In the first nine months of the 1931 fiscal year ending June 30th the tax on cigars totaled $13,761,961, compared with $16,394,723 in the first nine months of the previous year.

The cigarette tax returned $264,667,376 against $265,104,168 and manufactured tobacco and snuff paid $48,898,776 compared with $50,579,167.

Stamp taxes on bonds on indebtedness, capital stock issues, etc., totaled $11,949,577 compared with $16,910,672; capital stock sales or transfers, $19,571,949 against $34,986,320; the tax on sales of produce for future delivery, $1,410,321 against $2,955,167. The tax on playing cards, $3,807,563 compared with $3,923,278.

North Carolina led in cigarette taxes, paying $165,892,877 compared with $169,847,877 the corresponding period of the previous year. Virginia was second, paying $65,998,649 against $53,558,294.

N. Y. SUBWAY SMOKERS TO BE ARRESTED

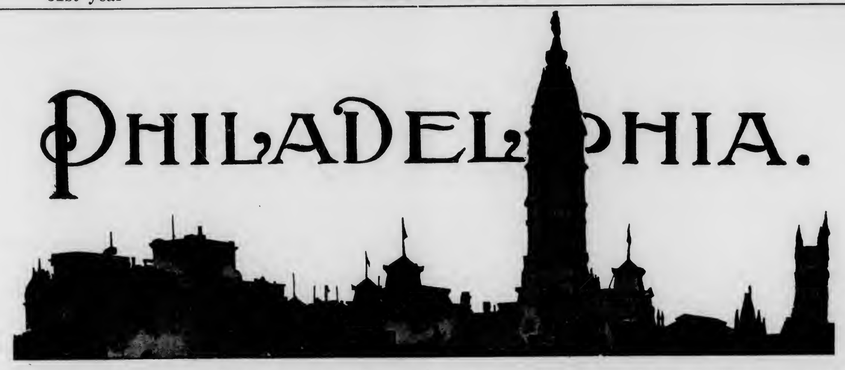
Employees on the B. M. T. subways will cause the arrest of smokers on the trains or platforms hereafter, the company announced on Saturday, following a five-weeks' educational campaign. An appeal by Shirley W. Wynne, Health Commissioner, against smoking underground was carried on 7500 posters and 150,000 cards during the campaign.

It was stated that subway guards extinguished eighteen separate fires from lighted cigarettes or cigars in a twenty-four-hour period, and the company announced that it would seek prosecution of subway smokers. Violators are liable to a $10 fine or imprisonment for ten days, or both.

REYNOLDS ON NIGHT SHIFT

The R. J. Reynolds Tobacco Company plans to start night operations May 11th to supplement the present nine-hour-day schedule.

PHILADELPHIA.



BAYUK CIGARS ENJOYING GOOD SALE

AT Bayuk Cigars, Incorporated, headquarters, Ninth Street and Columbia Avenue, we learn that Bayuk brands are holding up well despite the depression and are enjoying a fine steady demand.

Mark A. Pollock, of Mark A. Pollock, Incorporated, leaf tobacco dealers, has returned to Havana, Cuba, after having spent several days at the Bayuk factory.

Charles R. Cox has just returned to Bayuk headquarters after a six weeks' trip visiting the branch units of Bayuk Cigars, Incorporated.

Joseph C. Sharp, Jr., Zane B. Boyd, and J. F. Kauffman, who are associated with W. H. Strauss & Company, Johnstown, Pa., were visitors at the Bayuk factory last week. Mr. Kauffman is secretary of this progressive jobbing firm. This group took advantage of the invitation to go through the factory, and they received a highly favorable impression of the modern methods employed by Bayuk's in the production of Bayuk cigars.

Another visitor last week at the Bayuk factory was Louis King, of the Bellaire Cigar Company, Hartford, Conn., and who has been engaged in the cigar industry for seventy years. He made the trip through the Bayuk factory and was immensely surprised at the highly efficient and up-to-date methods used by Bayuks, and recalled many interesting reminiscences of methods used by the industry in the early days.

The new booklet which is being distributed to listeners on the new Bayuk Cigars radio programs being presented on Sunday nights, is meeting with a heavy demand. The booklet is called "cigarology." Cigarology is a form of character study based upon smokers' mannerisms. This book is the result of a study made among many smokers.

You will find this book a guide to a pleasant and amusing pastime. You can check up on the character of your friends. You can form an opinion of a new acquaintance. Later as you know him better, you can see how accurate you were in your deductions.

"ROYALIST" FORGING AHEAD

At the factory of Grabosky Brothers, Incorporated, North Second Street, they report the "Royalist" brand showing a gratifying and steady increase. New placements are being made daily in Philadelphia and surrounding territory, and cigarmakers are being added steadily to the force in order to keep pace with the increasing demand for this new brand.

"LA PALINA" SLOGAN CONTEST SUCCESS

REPLIES to the request of the Congress Cigar Company for slogans far exceeded expectations and the contest has been declared a great success by officials of the company. More than 300,000 replies were received at the offices at Third and Spruce Streets, originating from all parts of the world. On Monday of this week a number of letters containing slogans to be entered were received from France, Alaska, and other far distant points, where the "La Palina" cigar is well known. Winners in the contest are expected to be announced early in June.

The recently introduced "La Palina Super Pal" is enjoying a splendid sale and repeat orders on this brand are being received in a highly pleasing volume.

Samuel Paley, president of the Congress Cigar Company, is expected to return home during the latter part of this month from Amsterdam where he has been attending the tobacco inscriptions.

JACK HOOD IN TOWN

Jack Hood dropped into town on Tuesday and called at Yahn & McDonnell headquarters on Chestnut Street, for a short visit. And, when we say, "dropped in" that's just what we mean, for that's just about what Jack did. Jack is assistant sales manager for the John H. Swisher factory in Jacksonville, Fla., and he is at present touring the eastern and northern part of the country via airplane in the interest of "King Edward" cigars. The Swisher firm recently purchased the airplane for advertising purposes, and it is accomplishing its purpose very well. Yahn & McDonnell are local distributors for the "King Edward" and the brand is enjoying a ready sale here.

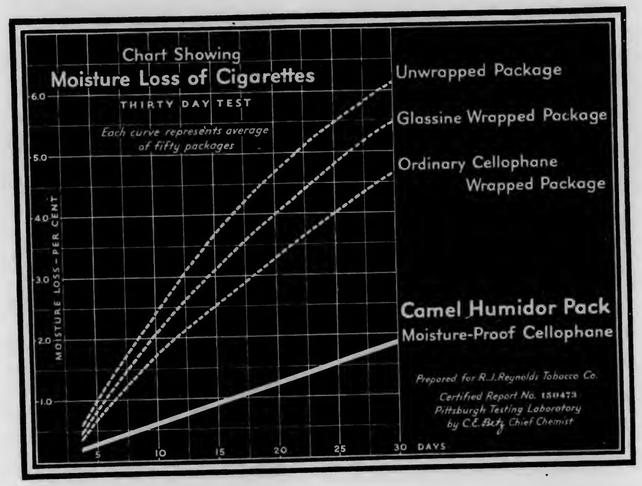
Abe Caro, of the "Optimo" factory, was in town last week, visiting Yahn & McDonnell, local distributors of that brand. The "Optimo" brand has been enjoying a splendid increase in sales in this territory for the past several weeks.

Freddy Suss, of S. H. Furgatch & Company, was also a visitor at Yahn & McDonnell offices last week, and reports good business on his brands.

Sam Bayuk, chairman of the board of Bayuk Cigars, Incorporated, has returned from Amsterdam, where he attended the Sumatra inscriptions and purchased a quantity of excellent wrapper leaf for his company.

Smoke a FRESH Cigarette!

Cigarettes in prime condition have a moisture content of about 10%. It will be seen by the Pittsburgh Testing Laboratory Chart that cigarettes in the ordinary wrapped package lose more than half of their total moisture in thirty days and that only the Camel Humidor Pack delivers cigarettes to you in prime condition



THE whole country is talking about the throat-easy mildness and the prime freshness of Camel Cigarettes in the new Humidor Pack.

The above chart prepared by the Pittsburgh Testing Laboratory tells you why.

Please examine it carefully. It is an unfailing guide to cigarette selection and enjoyment.

As you can quickly see by the three upper curves on this interesting chart, cigarettes that lack the protection of the Humidor Pack lose their moisture rapidly from the day they are manufactured. And day by day as this moisture disappears, the smoke from these cigarettes becomes *harsher, hotter, more unkind to the smoker's throat.*

Not so with Camels!

The Humidor Pack is moisture proof and sealed air-tight at every point. It protects the rich, flavorful aroma of the choice Turkish and Domestic tobaccos of which Camels are blended.

Make these tests yourself

It is so easy to tell the difference between parched dry cigarettes and fresh prime Camels that it is no wonder everybody is reaching for a *fresh* cigarette today.

Your fingers identify stale, dried-out tobaccos at once. While a Camel is flexible and pliant.

Your ears can tell the difference too. For a dust-dry cigarette crackles under pressure.

But the real test is taste and there is simply no comparison between the rich mildness of a Camel and the hot, brackish smoke from a stale, dry cigarette.

Switch to Camels just for today then leave them tomorrow if you can.

R. J. REYNOLDS TOBACCO COMPANY
Winston-Salem, N. C.

CAMELS

Artificial heat in houses and apartments soon dries the moisture out of cigarettes wrapped the old fashioned way. It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton—this cigarette will remain fresh in your home and office.

© 1931, R. J. Reynolds Tobacco Company

CIGAR MANUFACTURERS TO MEET MAY 12

ACTING on behalf of John M. Duys, president of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, Henry M. Duys, brother of John M., issued an invitation last week to prominent cigar manufacturers and leaf tobacco dealers to attend a meeting at the Hotel Roosevelt on Tuesday, May 12, to discuss ways and means of combating unfavorable publicity which the cigar industry has recently been receiving in popular magazines.

The invitation to attend the meeting read as follows:

"You have no doubt seen the recent attack on cigar smoking in the popular magazines which, unquestionably, are undermining the cigar business. The trend of the business in the last few years makes it imperative that something be done immediately to stop it.

"A plan has been suggested that costs practically no money. This plan was brought to our attention by Paul Christian, vice-president of the Consolidated Cigar Corporation, and is one in which every cigar manufacturer and leaf dealer, particularly you, can help. This plan is so appealing that we would like to discuss it at a meeting Tuesday afternoon, May 12th, at the Roosevelt Hotel, at three o'clock.

"It would be useless for us to outline to you in detail what this plan consists of, but believe us when we say that we think it can be made the pivotal point in the cigar industry, and the fact that it can be done with practically no expenditure should certainly appeal to you.

"This meeting is going to be limited to just a few of the progressive manufacturers and leaf dealers, because it is something that must be handled by constructive thinkers like yourselves.

"Will you please reply immediately, letting us know whether or not we can count on you, because we need your particular advice."

CHANDLER IN TOWN

H. E. Chandler, divisional manager for the Brown & Williamson Tobacco Corporation, Louisville, Ky., manufacturers of "Raleigh" cigarettes and "Sir Walter Raleigh" smoking tobacco, was in town last week working with H. O. Herman, who is in charge of the local territory, in putting on a special campaign for case placements of "Raleigh" cigarettes. The placement consists of a new metal container with a glass lid, which holds a carton of cigarettes and which is very attractive. Needless to say, the campaign was a complete success and the many new placements obtained helped to swell the sale of "Raleigh" cigarettes.

May is the fourth anniversary of the introduction of "Sir Walter Raleigh" smoking tobacco, and it will be fittingly celebrated with an intensive advertising drive on this popular brand of smoking tobacco.

Muslin signs, measuring four feet by twelve feet will be placed along the roadsides throughout the country featuring "Sir Walter Raleigh" tobacco, and a substantial increase in the number of satisfied smokers using this brand is confidently anticipated.

CONSOLIDATED CIGAR EARNINGS

Consolidated Cigar Corporation's first quarter earnings made a favorable comparison with 1930, totaling $478,547, against $497,473.

TREASURY DECLINES RULING ON SUMATRA

THE Department of the Treasury declined in a conference with representatives of Connecticut, May 1st, to give an opinion whether the tobacco grown in Sumatra may be barred from importation into this country after January 1, 1932, when the prohibition of the Tariff Act of 1930 against products of forced or identured labor becomes operative.

Judge Gustave Hartman, of New York, attorney for some of the producers of shade-grown tobacco in Connecticut, appeared before Seymour Lowman, the Assistant Secretary of the Treasury with supervision over customs matters, with a new request for an opinion on the point, Mr. Lowman stated after the conference.

Additional information was made available as follows:

The Treasury sees no reason to give an opinion at this time on the applicability of the statute respecting forced or indentured labor because it is not operative until after the end of the current year. It presents a question that necessarily is delicate and to present a ruling on it at this time would be prejudging conditions that may or may not exist when the statute becomes effective seven months away.

Producers of shade-grown, or so-called long leaf, tobacco feel, however, that they should know whether American tobacco manufacturers will be allowed to go into the foreign market to buy stocks offered in competition with the home-grown product. If they may not import the Sumatra stock, obviously a greater quantity of the Connecticut product will be sold.

If the domestic producers were advised of the Treasury's position on the Sumatra tobacco, they would know whether and how much they should increase their acreage this year to meet the demand that would result from a ruling by the Treasury that the Sumatra tobacco is produced "wholly or in part by forced or indentured labor."

The statute provides that the use of forced or indentured labor is valid ground for prohibition of importations unless there is not a sufficient quantity produced in this country to meet the requirements. Customs investigations have disclosed the use of indentured labor in some production in Sumatra and the Bureau of Customs will have complete data on the subject before the statute becomes operative.

PAUL M. HOLCOMBE DEAD

Paul M. Holcombe, veteran "Cinco" salesman, passed away suddenly on Saturday, May 2d, following an attack of acute indigestion. Mr. Holcombe had been associated with the Otto Eisenlohr & Brothers sales force for twenty-five years and was well known in the West Philadelphia territory, which he served. He was a member of Trimble Lodge, No. 17, F. & A. M., Camden, N. J., and Crescent Temple, A. A. O. N. M. S., of Trenton, N. J.

Funeral services were held on Wednesday, May 6th, from his late residence, 5940 Carpenter Street.

He is survived by his widow, Mrs. Phoebe R. Holcombe.

TAMPA PRODUCTION GAINS OVER MARCH

April production of cigars in Tampa—one of the biggest centers of the industry in the United States—amounted to 38,577,000, a gain of 6,500,000 over March, the announcement, made by Internal Revenue officials, reported the tax paid on the cigars as $176,034.

Consider your Adam's Apple!! ★

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Now! Please!—Actually put your finger on your Adam's Apple. Touch it—your Adam's Apple—Do you know you are actually touching your larynx?—This is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords. Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

©1931, The A. T. Co., Mfrs.

"It's toasted"

Including the use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

TUNE IN—The Lucky Strike Dance Orchestra every Tuesday, Thursday and Saturday evening over N.B.C. networks.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

RAILROAD freight rates on smoking tobacco throughout the United States were sustained as "not unreasonable" in a decision made public April 29th by the Interstate Commerce Commission on a complaint filed by the Tobacco Merchants' Association of the United States representing manufacturers of from 85 to 90 per cent. of all the smoking tobacco shipped by freight in the country.

The manufacturers had asked for a reduction from the present uniform basis of first class for less-than-carload shipments and third class for carload shipments to second class in less than carloads and fourth class in carloads of a minimum weight of 36,000 pounds. Their complaint, which the Commission has now dismissed, particularly assailed the increases made by the railroads on January 15, 1928, when the less-than-carload rate in Western territory was similarly raised, and they also objected to the classification rating in Eastern territory which had been first class for less-than-carload shipments, and which had been equalized with the other classification territories by the increases in the West and South.

One of the points made by complainants was that the change in the method of packing tobacco from cloth bags to tin containers had had the effect of greatly reducing the value of smoking tobacco per shipping pound and that the weighted average value per pound, including the sales tax, is 44.34 cents, and excluding the sales tax is 34.34 cents. Their request for a reduction of the rate classification basis was denied by the Commission after comparisons with rates on other articles of approximately the same shipping weight per cubic foot and value per shipping pound, including rates on dominoes, checkers and toy blocks, air rifles, chewing gum and chocolate. "We have frequently considered in classification cases," the Commission said, "comparisons between wholly dissimilar commodities where accompanied by a showing of value per pound and weight per cubic foot."

Tariff Commission Having Difficulties With Valuations

Great difficulty is being encountered by the United States Tariff Commission in its work of ascertaining the United States valuations required under section 340 of the Hawley-Smoot Tariff Act, it has become known with publication by the Commission of a circular outlining procedure to be followed in furnishing the necessary data.

The Commission's investigation is to ascertain with respect to ad valorem duties the rates which, if applied upon the basis of domestic value in the United States, would have resulted in the imposition during the two years ended June 30, 1929, of amounts of duty equal to what would have been collectible at the rate specified in the Tariff Act of 1930. The Commission is required to report the results of its investigation to Congress not later than July 1, 1932.

In outlining its procedure for the investigation, the Commission, admitting that some problems and difficulties have been encountered, invited importers in all lines affected to make suggestions as to how the work should be carried on. Most of the importers thus far approached, it was stated at the Commission, have cooperated willingly with the Government's agents and in many instances have offered to prepare the necessary tabulations. However, because of the many elements which must be considered, such tabulations have proved unsatisfactory and it will be necessary for the Commission to do all the work itself.

All importers of merchandise dutiable at ad valorem rates will be called upon during the investigation to furnish the Commission with data on practically every shipment imported during the two-year period under study.

Report on Chain Store Investigation Ready Soon

The Federal Trade Commission in the near future will begin the writing of its general report on the investigation of chain stores which it has been conducting for a considerable period.

The comparative price study carried on by the Commission in connection with its investigation in Detroit is practically completed, it has been announced. Detroit is the fifth city in which the chain store study has been made to date, other investigations of this nature having been made in Cincinnati, Des Moines, Memphis and Washington.

The final report on the inquiry conducted by the Commission concerning retail price maintenance also is in draft form, it has become known. This report will constitute the second and concluding volume of the inquiry.

February Failures Much Less Than January

Statistics for use in the general bankruptcy investigation being conducted by the Department of Justice, covering commercial failures only and not including failures of wage earners, farmers and others not engaged in business, have been furnished by R. G. Dun & Company, showing that 1658 bankruptcy cases were filed in February, with reported liabilities of $33,330,234, as compared with 2367, with liabilities of $48,354,290, in January.

(Continued on page 13)

"No mortal can boast
So noble a toast
As a pipe of accepted
tobacco."
—HENRY FIELDING

Here, old timer, is pipe tobacco!

For Granger *fits* the pipe like a schooner fits its keel. *Big* flakes, shaggy and slow-burning—*cut* for *pipes* and cut "rough" to smoke cool and clean and sweet.

And: finest mellow leaf—with all of Nature's flavor "sealed in" by our secret Wellman Process.

If it *is* a pipe you smoke, and *pipe* tobacco you want, try Granger—and "give your pipe its due!"

© 1931, LIGGETT & MYERS TOBACCO CO.

1 Cut for Pipes Only
2 Big Flakes that Burn Slow and Cool
3 Sweet to the End—No Soggy Heel
4 Made by Wellman's Method—an 1870 Tobacco Secret

Load on the installment plan; pack tight.

GRANGER · ROUGH CUT

BILLIE BURKE STAR OF SECOND BAYUK STAG PARTY

BILLIE BURKE, for years one of the reigning queens of the American stage, was guest artist of the Bayuk Stag Party broadcast Sunday evening, May 10th, over WJZ and associated stations at 9.15 Eastern Daylight Time.

This new program, featuring notables in many fields, was successfully launched on May 3d by Sir Hubert Wilkins, who told of his coming dramatic submarine trip to the North Pole. The broadcasts are sponsored by Bayuk Cigars, Incorporated, of Philadelphia.

Miss Burke, who was headliner of the second broadcast, is regarded as one of the most beautiful women on the stage. In her brilliant career as star of outstanding dramatic hits and as the wife of Flo Ziegfeld, famous showman, she has met every celebrity of the last decade. Intimate personal anecdotes of these interesting personalities, with amusing sketches of her own colorful experiences, constituted an unusual broadcast.

Miss Burke is now completing a tour with Ivor Novello as star of "The Truth Game," in which the titian-haired actress has added to her long list of successes.

Musical selections presented were: Stein Song, orchestra and quartet; Smile Darn Ya, Smile, orchestra; Out of Nowhere, orchestra; Willie Tell, orchestra; My Sweet Virginia, orchestra; We'll Be The Same, orchestra; At Last I'm Happy, orchestra; Daisies Won't Tell, Bayuk Quartet; Ragtime Cowboy Joe, Bayuk Quartet; Out On The Deep, James Stanley.

MOTHER-IN-LAW OF KING SMOKES CHEROOTS

A murmur of wonderment ran through the crowd outside the residence of the King and Queen of Siam in Washington last week as Princess Svasti, mother-in-law of the King, smoked a small cigar as she entered an automobile to go to Mount Vernon.

The Princess was carrying the small cigar, described by officials as a "cheroot," as she left the royal residence. State Department officials explained that smoking of small cigars by women was customary in Siam and that Her Majesty, Queen Rambai Barni, smoked them occasionally.

WOMEN WANT OWN SMOKER

Seven determined women met on April 29th in a midtown hotel in New York City to launch a crusade for a railroad smoking car of their own.

They were members of the Women's International Smoking Club, organized by Miss Olive Cooper, who is president. She said W. W. Atterbury president of the Pennsylvania Lines, had promised to convert half a day coach into a woman's smoker if demand was big enough.

STANDARD BRANDS EARNINGS GAIN

Standard Brands, Incorporated, and subsidiaries report for the quarter ended March 31, 1931, net income of $4,054,588, before profit and loss items, equal after dividends on the 7 per cent. preferred stock to 30 cents per share on 12,644,002 shares of common stock. In the first quarter of 1930 the company had net income of $3,496,226, or 25 cents per share on 12,633,170 shares of common stock.

You asked for it, Gentlemen—
So many of our friends insisted upon our making Raleighs in the democratic cup package we simply had to do it. Here it is. Cellophane wrapping and all. The same fine cigarette that has made Raleigh famous everywhere; the same price, but the regular type package for those who prefer Raleighs that way. They're making a hit, gentlemen—going like hotcakes,
Twenty Cigarettes
Cellophane wrapped
BROWN & WILLIAMSON TOBACCO CORP.
Louisville, Ky.
Raleigh's
CIGARETTES

A. & P. TO SELL ICE CREAM

ACCORDING to a recent announcement, the Great Atlantic & Pacific Tea Company is planning to engage in the sale of ice cream in their stores in New York, Chicago, Philadelphia and northern New Jersey in the near future.

The chain will market its own ice cream under the trade name of "Yukon Club," which it has already been using for ginger ale sold in their stores.

It is stated that the chain will sell its ice cream at a considerably lower price than that charged for other standard makes. It will be dispensed from visible refrigerated show cabinets varying in size from thirty inches square up to thirty inches deep by sixty inches long. The ice cream will be sold in packages only.

This move puts the A. & P. chain in further competition with many thousands of cigar retailers who also sell ice cream.

PENNSYLVANIA MADE CIGARS IN MARCH SHOWED GAIN OVER 1930

The cigar-making industry in Eastern Pennsylvania was on the up-grade in March.

Compilation of reports on stamp sales to the Bureau of Internal Revenue revealed an increased production of the three grades of cigars from those selling retail for five cents to and including the 15-cent smoke, during that month over February. In all but the cheapest grade, the March trade exceeded that of March, 1930.

There were 126,012,903 cigars, of all three grades sold by manufacturers last month, as against 104,209,706 in February and 122,334,768 in March of last year.

CIGAR RETAILERS,
get this free
Father's Day poster

Phil M. Phulofax,* D. B. I.
(the retailer's friend)
says:

© B. C., Inc., 1931
Reg. U. S. Pat. Off.

"Get ready for the June Harvest"

MY, MY, MY, how time flies! It certainly doesn't seem like a year since we got together and made Father's Day the second biggest cigar-selling occasion on the calendar (Christmas, of course, being the biggest).

And how we did put it over! Remember the Father's Day window poster the Bayuk people got up for us last year? . . . and didn't ask us to contribute a single penny to its printing or mailing. Cigar retailers all over the country wrote in for that poster. Why, my tongue felt like a starched collar from licking stamps in mailing out thousands of copies. . . . And the reports I received of increased Father's Day cigar sales were really astonishing.

Are we going to do it again? You're tootin' right, we are! I started operations three weeks ago: Bayuk is going to help us again—with another poster . . . a more striking poster even than last year's design. Printed in brilliant colors, and 12 by 42 inches in size, you can see this poster " a mile away." It comes all ready with gummed strips for easy handing. Understand, there's no Bayuk advertising on it—it's purely a voluntary Bayuk contribution to help the retail cigar trade sell more cigars in general around Father's Day. Now for action!

First thing, grab a pencil and send for the poster—even though you may be getting other Father's Day display material from your jobber. But *I must have your request by June 1st.* (Please print your name plainly.)

Second step. Put poster on inside of window immediately.

Third Stride. Get out a good supply of popular brands of Cigars. Stack 'em up on the counter in a neat, attractive manner. Price-mark them plainly, making sure you've an assortment that will appeal to all kinds of pocketbooks.

Fourth Jump. Get your line o'talk a-workin'. Suggest to every customer that he or she give cigars for father's Day—not only to Dad but to other adult males.

Remember, there's no Bayuk advertising on this poster. And it's FREE. Just address your letter or post card to *"Phil M. Phulafax, Care of Bayuk Cigars, Inc., 9th St. and Columbia Ave., Philadelphia, Pa."*

P. S. Tear out this ad; keep it handy, so as to remember the above suggestions.

Phil M. Phulofax* D.B.I.

* *Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

BAYUK BRANDS BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR
BAYUK MAPACUBA
PRINCE HAMLET
BAYUK HAVANA RIBBON
CHARLES THOMSON

GEORGE A. HELME DIES

GEORGE A. HELME, former president of the American Snuff Company and the George W. Helme Tobacco Company, died at his home, 888 Park Avenue, New York, on April 29th of pneumonia.

Mr. Helme spent forty years in the tobacco business, having entered the industry at the age of twenty-one under the guidance of his father, George W. Helme, who was president of the American Snuff Company and also the George W. Helme Tobacco Company. In 1903 Mr. Helme became president of the American Snuff Company and retained that office until the company was broken up in 1910. He retained the presidency of the George W. Helme Tobacco Company until his health failed in 1926.

He is survived by his widow, Mrs. Mary T. Helme; one daughter, Mrs. Edgar J. Marston, and two sons, George W. and James B.

Funeral services were held on May 1st at St. George's Church, in Helmetta, N. J., with burial in the family mausoleum at Jamesburg, N. J.

At the time of his death Mr. Helme was a director of the Helme Tobacco Company. He was sixty-five years old.

The Midtown Hospital, 309 East Forty-ninth Street, New York City, will receive $100,000 under the will of George A. Helme, filed in Surrogate's Court with three codicils. The documents were given to Probate Clerk Killoran for safe keeping by Esselstyn & Haughwout, counsel for the executors.

No estimate of the value of the estate could be obtained, but it is believed to exceed $1,000,000.

Mr. Helme was president of the board of managers of the Midtown Hospital. Other charitable legacies in the will totaled $40,000. They included $20,000 to the Bethany Day Nursery, 402 East Sixty-seventh Street; $10,000 to St. George's Protestant Episcopal Church of Helmetta, N. J., and $5000 each to the New York Bible Society, 5 East Forty-eighth Street, and St. Thomas's Church, Fifth Avenue and Fifty-second Street. The legacy to St. Thomas's Church is to be used for the East Side settlement work of St. Thomas's chapel.

The widow and three children inherit most of the estate. Mrs. Mary T. B. Helme, the widow, of 888 Park Avenue, gets one-fourth of the residue outright, a life estate in half the residue, personal effects and life insurance policies.

Two of the children, Mrs. Margaret H. Marston, of Fort Worth, Tex., and James B. Helme, of Rye, N. Y., get $25,000 each; one-twelfth of the residue, one-third of their father's holdings in the George W. Helme Company and the Weyman-Bruton Company, and one-third of his interest in a trust fund left by his father, the late George W. Helme. Another son, George W. Helme, of Chestnut Hill, Pa., receives all of the foregoing legacies in trust excepting the $25,000 cash bequest.

Two employees, Rose Saum and Mildred Hanowell, get $10,000 each, while two other employees get $5000 each.

The first codicil, dated December 9, 1926, created a $1000 life annuity for Miss Adeline Van Wickle, of Spottswood, N. J., and the second codicil, executed May 14, 1927, restricted the son, George W. Helme, from disposing of any of the income of any of his legacies until it was paid to him.

The third codicil, dated August 17, 1928, increased the legacy of the Midtown Hospital from $25,000, as given in the will, to $100,000.

HUGHES URGES WOMEN TO SMOKE CIGARS

WHEN woman cuts her hair and her skirts she also began cutting her wisdom teeth, Rupert Hughes said last week in a discussion of the eternal question which went under the head of "The Woman of 1931." She is becoming more emancipated, he thought, and that, too, is a very good thing.

Mr. Hughes, who is a novelist and more lately the author of a controversial biography of Washington, spoke before the Fortnightly Forum at the George Washington Hotel, on Lexington Avenue at Twenty-third Street. Several hundred attended. Considering the matter of women's smoking, the writer recalled that just a few years ago that phase of modern life was unknown.

"My only suggestion now is that they smoke less cigarettes and more cigars," he said. "I tried to get my mother to take up smoking—when she was eighty—for I thought it would cheer her mind. But she had been brought up by another age and would not. I think smoking is a good thing, however, and certainly if men do it, women should be allowed the privilege."

Mr. Hughes noted that "the woman of 1931" is the "same woman" as of old; but in recent years she had demanded her own privileges and knows how to go about getting them.

FORTUNES FROM TOBACCO

Estate valued for probate as of the gross value of £1,200,649, with net personalty £1,182,783, was left by Sir Joseph Hood, 1st Bart., a solicitor, formerly practicing in Liverpool and London, and Unionist M. P. for Wimbledon, 1918-24, and who was concerned with the formation of the British-American Tobacco Company, of which for some years he was deputy chairman.

Sir Joseph stated that as he had given considerable sums of money to charities during his lifetime, he did not make any bequests for such purposes by his will.

The duties on the property at this valuation will amount to about £490,000.

Enormous fortunes have been left in recent years by tobacco magnates, who included the following:

Sir Frederick Wills, 1909, £3,050,556.
Sir E. P. Wills, 1910, £2,633,660.
Lord Winterstoke, 1911, £2,548,209.
Mr. H. O. Wills, 1911, £5,214,821.
Sir E. C. Wills, 1921, £947,000.
Mr. H. H. Wills, 1922, £2,750,000.
Mrs. Hamilton-Fellowes, daughter of Sir F. Wills, 1926, £1,974,000.
Mrs. E. A. Douglas, also a daughter of Sir F. Wills, 1927, £1,755,700.
Mr. F. N. Wills, 1927, £5,053,360.
Sir George A. Wills, 1928, £10,000,000.
Mr. Bernhard Baron, 1928, £4,944,920.

—*Irish Tobacco Trade Journal.*

SCHULCO COMPANY EARNINGS

Schulco Company, Inc., reports for quarter ended March 31, 1931, gross income of $132,412, available for bond interest. Interest accrued on guaranteed 6½ per cent. sinking fund gold bonds for the period amounted to $86,310. Balance sheet as of March 31, 1931, shows land and buildings of $12,180,000 against which there are first mortgages of $5,729,750, while reserve for depreciation on buildings is carried at $637,009. Of the mortgage gold bonds, $2,223,500 have been retired by the sinking fund, leaving $5,276,544 outstanding of which $134,000 principal amount is held in the treasury.

The Cigar Container Enters Into The Problem Of Selling More Cigars

Aside from radio, newspaper, magazine and outdoor advertising, the container itself, and the lithography which adorns it, play a most important part in attracting the eye of the smoker, and in the protection and display of cigar brands.

The wooden cigar box must be frabricated to exacting dimensions, it must have strength to protect the product in shipment and in handling; the materials of which it is constructed must be favorable to tobacco.

The lithography must stand the most careful scrutiny, and it must be so applied to the wooden container as to in no way mar the embossing, and fine colors and gold, which are frequently employed.

AUTOKRAFT wooden cigar boxes are made only from thoroughly tested materials. The lithography is applied in a manner as nearly perfect as human ingenuity has been able to devise. An inquiry will bring any interested cigar manufacturer still more important facts about AUTOKRAFT wooden cigar boxes.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

St. Louis, Mo.
Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

News from Congress

(Continued from page 8)

A total of 905 commercial failures, with liabilities of $26,319,375, were handled other than through bankruptcy in February, while in January there were 961 such cases, with liabilities of $46,223,116. Thus, it is pointed out by the department, liabilities in failures liquidated outside of bankruptcy in both months were nearly as great as the liabilities in bankruptcy. The decline in the number of commercial failures and in liabilities in February is in line with the experience of past years.

Liquidations outside of bankruptcy in February included 167 State and Federal equity receiverships, with liabilities of $16,711,473. In January there were 208 receiverships, with liabilities of $36,949,519. The marked difference in liabilities is due to a small group of Connecticut receiverships in January, with liabilities aggregating $24,640,200. Insolvency liquidation through receiverships continues to be concentrated in the States of New Jersey, Rhode Island, Maryland, Ohio, Indiana and Washington. In Rhode Island there were a greater number of receiverships than bankruptcies (*i. e.*, ten receiverships, six bankruptcies) and in New Jersey there were 69 bankruptcies and 49 receiverships.

There were 48 assignments for the benefit of creditors, with liabilities aggregating $4,454,149 in February, as compared with 501, with liabilities of $5,280,771, in January. The decline was due almost entirely to the smaller volume reported from New York in the latter month. New York, however, continues to be the State in which the largest volume of commercial failures was handled through general assignments, with 116 such cases and liabilities of $1,268,000 reported for February. Comparison by geographical divisions reveals that this type of liquidation as compared with bankruptcy continues to be considerable in all but the South Atlantic and East South Central States.

Throughout the country 300 failures, with reported liabilities of $5,153,753, were handled by miscellaneous means, such as sales under executions, voluntary dissolution of insolvent corporations, etc.

BAYUK DIRECTORS RE-ELECTED

AT the annual meeting of Bayuk Cigars, Inc., directors were re-elected for the ensuing year. An amendment to the by-laws was approved defining the duties of the chairman of the board of directors, which office was created last year.

WOMEN TEACHERS SMOKE IN KANSAS

Emporia, Kan., April 30th.

Because the school board members here felt they couldn't ask the men teachers not to smoke so long as some of the members of the board smoked, they also felt they couldn't ask the women teachers not to smoke if the men teachers smoked. This reasoning recently prevented a clause from getting into the 1931-'32 contracts of Emporia City school teachers, which would prohibit women teachers from smoking in public or in private.

NO BAN ON BIG BUSINESS

A STOKES County man went over to Winston-Salem. Arriving at 8 A. M., he transacted his matters and left for home at 1 P. M., five hours in town. During his stay, the R. J. R. Company cleared above expenses, $50,000.

But R. J.'s profits that day had nothing to do with the Stokes County man's visit—R. J. scoops in the shekels all the while like that. Every time your watch ticks it earns $27.50; every hour nets $10,000. Every working day of the year it clears $100,000; every week $750,000; every month, $3,000,000; in a year it makes 36 million dollars and this after paying salaries, taxes and expenses of every species.

Do you say such a clean-up ought to be estopped by law, and such robbery prevented by legislative action? Should we penalize this great success with the penitentiary?

No, no. That is because you cannot grasp the enormity of this huge concern's business, its gigantic capital invested, its world-wide operations, its tremendous cash outlays—we are not used to thinking in terms of big business. R. J. R. is not making so much money as some banks, many stores, insurance companies and other smaller successful concerns even in adjoining counties to our Stokes.

R. J. adds 36 per cent. to its surplus in a year, but we know more than one bank which beats this. A merchant or trader with $1000 in his jeans goes into business, and with this capital he clears $1200. Is that shocking or unreasonable? Not at all but common. But it is 120 per cent., nearly four times more money than R. J. is netting on its gigantic capital. A farmer buys a plantation for $2500, makes a crop, and after all the running expenses are paid finds himself with $900 cash left. This was probably bettered last year in many of the lower counties where it rained (of course not in drought-hit Stokes). Well, this farmer who cleared $900 made as much as R. J. made at its last dividend—36 per cent.

The reason why we stand appalled at the huge earnings of this great tobacco corporation is that we forget the size of the capital which these manufacturers have invested in their great plants and equipments for manufacturing tobacco. If these millionaires withdrew their millions from our state and instead of their present capital, suppose they had invested $1000 with us, and on this capital they cleared $500. Nothing would, of course, be thought of that, yet it would be scooping in a big profit—50 per cent.; think it over. You say it is not unreasonable that the $2500 farm cleared $900. Neither is it unreasonable or unfair that R. J. cleared 36 million dollars on its 100 million capital. And yet, doubtless if the $2500 farmer had spent as many hours at work during the year, had used the close economy and the high efficiency which the great corporation had to use, instead of clearing $900 he would have netted greatly more.

It is only by the keenest judgment, the finest organization of large forces of men working at high pressure—often day and night—coupled with strict economy, and using the best skill in men and machinery that money can buy—that the corporation can be successful.

In this day of black depression, when business is sick and trade travels on one leg—often on crutches—should we wish continued success to the biggest business in North Carolina, or should we wish to see it join the innumerable caravan of failures and down and outs.

No, we are glad of its success. We want to see it live and grow, and continuously prosper. And when its great special cigarette trains (five or six a day) leave our state bearing to the four corners of the earth our product manufactured into peerless and prime merchandise, we lift our hats and whoop "Atta-boy."

And yet, we long to see the day when our farmers who grow the leaf that makes R. J. prosper, may learn how to compel R. J. to pay us for it, value received. And R. J. will do this, we believe with pleasure—just like we will pay more for beef and eggs when we have to, but will buy as cheaply as we can always.

Is that human, or not? Let us be honest.—*Danbury (N. C.) Reporter.*

PHIL M. PHULOFAX TO MAKE ANNUAL TOUR

PHIL M. PHULOFAX, D. B. I., business philosopher and specialist in cigar retailing, whose sales messages to retailers are appearing regularly in the advertising pages of this magazine, under the sponsorship of Bayuk Cigars, Incorporated, announces that within the next week or so he will begin his annual swing around the country, calling on cigar retailers from Maine to California. He says he expects to see a lot of his old friends again, and hopes to make a lot of new ones.

The special correspondent of this magazine who interviewed Mr. Phulofax got the impression during the course of the interview that Mr. Phulofax is better primed than ever before to make his trip one that will be of value to the whole cigar industry. He seemed to be chockful of new selling tips that he expects to pass on during his calls, and he's all set to pick up from the boys in the cigar stores anything they may have in the way of ideas to keep the old cash register jingling.

"Tell the fellows," he said, "that if they're running up-and-coming cigar stores and a man comes in some day and starts asking a lot of questions, to give him all the help they can. The chances are I'll be the man, and believe me, I'm full of questions I'm going to ask. I'm going to bring back everything in the way of selling ideas that the boys haven't got nailed down, but I'll make mighty good use of those ideas, for them and everybody in the cigar business. A lot of the fellows who answer my questions are going to find their answers right in my selling talks, where they'll have a chance to help every retailer in the country."

Mr. Phulofax is going to travel light, but he's taking along two empty trunks. Those, he says, are for the selling ideas he's going to beg, borrow, or just plain walk off with. When they get full he's going to ship them home and buy a couple more. It looks, he says, like it's going to be a big day for the trunk manufacturers.

INTERESTING BOOKLET ON PUERTO RICO

The Puerto Rican Board of Commerce and Industry has issued a 26-page booklet on Puerto Rico which is of especial interest to the tobacco trade. The booklet was prepared by the Pan-American Union at the request of H. P. MacGowan, Commercial Advisor to the Governor of Puerto Rico, in response to a demand for more authoritative information regarding the island, and is well illustrated.

Copies of the booklet may be obtained at five cents each from the Pan-American Union at Washington.

PLANS GOING FORWARD FOR A. C. M. CONVENTION

PLANS for the business sessions and entertainment in connection with the annual convention of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, which will be held this year in New York City on June 1st and 2d, are rapidly nearing completion, although some uncertainty is being experienced due to the absence of President John H. Duys, who is in Amsterdam attending the inscriptions.

This organization is successor to the former National Cigar Leaf Tobacco Association, and since the membership of the organization has been materially enlarged since the reorganization, and also on account of present conditions in the cigar and cigar leaf industry, a large attendance is anticipated and some very important business sessions will no doubt be held.

The business sessions will be held in the assembly hall of the Merchants' Association, in the Woolworth Building, and the annual banquet will be held on Tuesday, June 2d, at the Hotel Roosevelt. Mr. Duys is expected to return to New York before the convention.

GET SET FOR FATHER'S DAY

Father's Day this year falls on Sunday, June 21, and the progressive retailer will show a substantial gain in his sales this year, and incidentally in profits also, by making plans early to cash in on this event.

By special window displays, at least one week in advance of this date, calling attention to the fact that father appreciates a box of good cigars, sales can be materially increased.

Cigar manufacturers using radio broadcasting for advertising purposes have signified their willingness to co-operate in bringing to the attention of the public that cigars are highly acceptable as gifts for Father's Day, and it is expected that cigar sales will show a substantial increase during this period.

In this issue appears an advertisement of Bayuk Cigars, Incorporated, in relation to Father's Day, which tells the retailer how to capitalize on this annual event.

WAGNER BRANDS GOING AHEAD

At the headquarters of John Wagner & Sons, Dock Street, distributors of high-grade imported and domestic cigars, I. B. White, manager of the cigar department, reports splendid business on the many brands they distribute.

Sam Adler, of Villazon & Company, Tampa manufacturers of the "Villazon de Luxe," was a recent visitor enroute to Baltimore and Washington, and reports his firm enjoying a good business. The "Villazon de Luxe" is carried in eight popular sizes by John Wagner & Sons and they are enjoying a splendid demand.

Ben Lumley, well-known ambassador of the "Carl Upmann" and "Garcia & Vega" brands, is on a trip through the Pocono Mountains and reports a highly satisfactory business on those brands in that territory.

The "Pall Mall" brand, also carried by Wagner's is having an increased sale as a result of the advertising drive put on here recently. Many new placements were received and a new demand created through this advertising.

When a man pulls everything but the stove out of a hat, you know there's a trick to it somewhere. The rise of Sir Walter to the front rank of smoking tobacco is just as amazing . . . but there's no trick to it. Mildness, smoothness, and a fair price have done it.

BROWN & WILLIAMSON TOBACCO CORP.
Louisville, Kentucky

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

THE NATIONAL CIGAR LEAF TOBACCO ASSOCIATION

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

HOW TO PRONOUNCE "O" IN "PROCESS"?

PROFESSORS of English, as judges of correct speech, are at odds again, as much as ever they were over the comparative excellence of "rAYdio" versus "raDDio" and "obEEsity" versus "obEHsity."

This time, in a discussion carried on mostly by telegraph, the disagreement concerns the correct pronunciation of the word "process" in the "Lucky Strike" radio hour.

Among those who have contributed to the symposium are Alice V. Waite, Department of English, Wellesley College, Wellesley, Mass.; Professor E. M. Gwathmey, Department of Education, William and Mary College, Williamsburg, Va.; Rev. James H. McDonald, Head of Department of English, University of Notre Dame, Notre Dame, Ind.; Louis A. Strauss, Chairman, Department of English Language and Literature, University of Michigan, Ann Arbor, Mich.; Henry M. Dargan, Chairman of the Department of English, Dartmouth College, Hanover, N. H.; J. S. McLucas, Professor of English, University of Colorado, Boulder, Colo.; Robert K. Root, Chairman, Department of English, Princeton University, Princeton, N. J.; W. C. Greet, English Department, Barnard College, Columbia University, New York, N. Y.; John M. McBryde, Department of English, Tulane University, New Orleans, La., and Rudolph Willard, Department of English, Yale University, New Haven, Conn.

Is the "o" long, as in "obey"—prOHcess? Or is that a mere vanity, affectation and imitation of the British, and does the good American say it short, as in "stop"? Or is it medium, as in "horse"?

The word "process" is in constant use over the radio in connection with announcements of the "Lucky Strike" toasting process. Conscientious sponsors of broadcasting programs are careful nowadays that announcers shall use only the best standard English, because they realize the tremendous effect of the radio on the speech of the people.

The sponors of the "Lucky Strike" program turned to the dictionary. It offered little help. It gave the short and long "o" pronounciation somewhat indifferently. There is no authority on pronunciation in this country such as the National Academy in France. The program sponsors turned to the nation's English professors for enlightenment. They sent telegrams to seventy-five colleges.

The answers so far received, instead of settling the question, show almost as much conflict as in the epic rAYdio-raDDio and obEEsity-obEHsity controversies. The professors discuss the question with wit, philosophy and wisdom, but the inquirers are still looking for someone to tell them what to say into the microphone to hundreds of thousands of listeners.

Judgment is being withheld for the time being, until all the replies have been considered. At present announcements concerning the "Lucky Strike" toasting process continue to be made with "process" pronounced with a long "o."

LUIS TORO IN PORTO RICO

Luis Toro, president of the Porto Rican-American Tobacco Company, is on his annual inspection trip to Porto Rico and is reported to be highly pleased with conditions in his company's factories there. "El Toro" five-cent cigar is his company's leading brand and production is being well maintained. Last year's production of this brand showed a substantial increase over the previous year and sales are still climbing.

KYNETT ELECTED SECRETARY OF A. A. A. A.

THE American Association of Advertising Agencies on May 1st elected officers and concluded its fourteenth annual convention. M. L. Wilson, New York City, was elected vice-president;; H. H. Kynett, Philadelphia, secretary; E. De Witt Hill, New York City, was re-elected treasurer.

W. C. D'Arcy, St. Louis, and Stewart Mims, New York City, were elected members-at-large to the Executive Board.

Neither term of president nor chairman expired this year.

TOBACCO TAXES DECLINE IN NEW JERSEY

A sharp decline in internal revenue receipts from the tobacco tax in New Jersey was shown in a report just released of the Treasury Department for the first nine months of the fiscal year.

Collections from cigar manufacturers in the State dropped $151,000, as compared to 1930, and from cigarette manufacturers there was $616,000 decline. New Jersey, one of the largest manufacturers of snuff, reported a drop in taxes on this branch of the tobacco trade amounting to $185,000.

The tax on manufacture of playing cards for the nine months' period was $42,000 less than last year.

Stamp tax collections for the first nine months of the fiscal years 1930 and 1931 were as follows:

	1930	*1931*
Cigars	$2,147,869	$2,023,673
Cigarettes	11,894,723	11,278,631
Manufactured tobacco and snuff	1,202,683	1,097,431
Bonds of indebtedness, capital stock issues, etc.	237,579	542,463
Capital stock sales	8,831	12,406
Playing cards	731,079	689,906

CUBAN CROP SHOWS HIGH QUALITY

Exports of stemmed and unstemmed leaf tobacco during February, 1931, totaled 1,844,567 kilograms, valued at $1,358,658, as compared with 1,763,535 kilograms, valued at $2,054,003, in February 1930. Exports of cigars totaled 4,066,924 units, as compared with 4,797,287 units during February, 1930. The 1931 tobacco crop has been harvested and is now in process of curing. It is reported that the quantity will compare favorably with last year and that the quality will be superior, with larger percentage of high grades. There has been some agitation during the past week among the tobacco growers in favor of a tobacco crop restriction, but indications are that no immediate action will be taken in this connection.—*Acting Commercial Attache Albert F. Nufer.*

TOBACCO RATES STAND

The Interstate Commerce Commission on April 29th dismissed the application of the Tobacco Merchants Association of the United States for a revision of freight rates on smoking tobacco. The association, composed of the principal tobacco manufacturers throughout the country, sought to have smoking tobacco changed from first class to second class ratings. The Commission found that first class rates were not unreasonable.

NATIONAL DRUG STORE SURVEY WELL UNDER WAY

THE movement of some 25,000 or more drug store items through thirteen retail stores is now being followed by the Department of Commerce and the National Drug Store Survey Committee in St. Louis, with the completion of inventories for this group of stores that are being used as a laboratory to study the problems of drug store distribution. Field work was actively started on April 1, by taking the first retail store inventory, and since that time inventories have been taken for the remaining stores, with one record set up to indicate the flow of each of the commodities through each of these stores. Nearly 100,000 such records are being utilized.

Expansion of the number of stores covered to thirteen, instead of ten as originally planned, was determined upon after a survey of local stores, this move being made desirable in order to include every distinct type of community and a representative range of stores from the standpoint of size or sales volume. The stores selected range from one store with annual sales of $25,000 to another doing more than $500,000 business annually. They include stores at important traffic intersections, in neighborhood locations, downtown shopping and office building districts, and the theatrical district. Some are in old and settled communities which are on the decline with regard to the income of people they serve and others are in neighborhoods where the population is still growing rapidly. Two or three of the stores in the group deliver almost as much merchandise as they sell over the counter and in one of the very high-grade stores credit transactions make up nearly half of sales volume.

The inventories revealed a wide range in the number of items stocked, with three of the independent stores having approximately 10,000 items each, the two chain units considerably more than this number, but with most of the independent stores having in the neighborhood of 5000 items. One store with about 3600 items is apparently one of the most successful and profitable of the entire group, the field specialists report. An interesting feature of the inventories taken is the fact that all advertising material displayed in the store was listed item by item and a comparison will be made showing to what extent items advertised in the store were actually stocked.

Drug store arrangement is being studied, with floor plans for each store being prepared and photographs of interiors and exteriors recording the arrangement of merchandise and fixtures as well as show windows. It is expected that elements of a model arrangement of a retail drug store may be revealed for the benefit of druggists throughout the country.

A detailed analysis of the prescriptions filled by the drug stores covered in the survey is soon to be undertaken, with a transcript of prescription records in each store being made and analyzed to determine the cost of materials entering into the prescriptions, and the trend in prescribing with regard to the various chemical elements entering into prescriptions.

Control records are being worked out for each store with a separate card recording the activity of each item stocked in the eight major departments which are being used tentatively for the purpose of carrying out the survey. The departments in use are prescription supplies, package medicines, hospital goods and appliances, toilet goods, toilet preparations, confectionery, fountain goods and sundries. Subclasses under these major divisions are to be worked out in cooperation with manufacturers.

It is estimated at the present time that seventy-five workers will be engaged in the survey at its peak and that several million tabulating cards will be punched to utilize the most improved machine methods of statistical calculation.

It will be much more than a statistical study, however, as specialists are daily engaged in an intensive program of controlled observation of merchandising practices as revealed in the sales transactions as they occur in the retail drug store. Each phase of the selling transaction is accurately timed and the observers also record any special features of the transaction which affect either the cost or effectiveness of the operation. All departments of the store being so studied, with a particularly intensive observation being made in the fountain department, where no means has been found to determine the character of sales other than by a direct record of this sort.

Among the features outside the drug store, which plans are being formulated to study, are retail drug store location, peculiarities of consumer demand for items sold through drug stores, the relation of the wholesaler to retail drug store operations, and a special analysis of the local market based on the material on drug stores in St. Louis obtained by the Census of Distribution.

PARK & TILFORD EARNINGS

Park & Tilford reports for the March quarter a net loss of $35,767, as compared with profit, before Federal taxes, of $107,510 for the same period of 1930.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an auditional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

SUBAC:—45,883. For smoking mixture. April 13, 1931. D. T. Williams, Chatham, Va.

SANTA FE TRAIL:—45,885. For cigars. April 27, 1931. A. Sensenbrenner Sons, Los Angeles, Calif. (This certificate is issued upon presentation made to us that the trade-mark or trade name herein specified, though apparently not heretofore registered in any of our Affiliated Bureaus, has been in use by Fred R. Charles, Mohawk, N. Y., since 1928, and transferred to the within-named registrant on April 6, 1931.)

TRANSFERS

MARK TWAIN:—4,922 (U. S. Patent Office). Registered July 24, 1877, by Ed. Aschermann & Co., Milwaukee, Wis. Through mesne transfers acquired by Wolf Bros. & Co., Red Lion, Pa., December 12, 1930.

MARK TWAIN:—45,828 (T. M. A.). For cigars. Registered November 21, 1930, by Autokraft Box Corp., Detroit, Mich. Transferred to Wolf Brothers & Co., Red Lion, Pa., February 17, 1931.

EMPIRE BOND:—16,332 (Tobacco World). For cigars, cigarettes and cheroots. Registered October 2, 1908, by Heywood Strasser & Voigt Litho. Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to the registrants to the Armio Cigar Co., Inc., New York, N. Y., April 10, 1931.

HIGH LEVEL:—40,269 (T. M. A.). For cigars, cigarettes, cheroots and tobacco. Registered June 5, 1917, by Pasbach-Voice Litho. Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to the registrants to the Armio Cigar Co., Inc., New York, N. Y., April 10, 1931.

TOBACCO ADVERTISING CONTINUES INCREASE

THE tobacco industry is continuing to use radio broadcast advertising in larger and larger quantities. In March, 1931, the industry spent $412,485 in this form of advertising, a gain of 140 per cent. over the $171,508 spent in radio advertising in March of 1930, according to the Business Survey Department of Dorrance, Sullivan & Company, Incorporated, New York, advertising agents.

In April issues of national magazines, the tobacco industry spent a total of $542,204, of which $426,555 was for the promotion of cigarettes; $11,500 was for cigars; and $104,149 was for manufactured tobacco and smokers' supplies. This total for April, 1931, compares to $502,184 in April of 1930, a gain of $40,020 or 8 per cent. In national farm magazines the expenditure in April of this year was $33,000 compared to $26,400 in April of last year, a gain of 25 per cent.

The totals for the industry in all these media amounted to $987,689 compared to $700,092 in the corresponding months of last year, a gain of 41 per cent.

For the year to date, the tobacco industry spent $3,137,813 advertising its products in national magazines, farm magazines and radio broadcasting, compared to a total for the similar period of 1930 of $2,340,208, a gain of $797,605, or 34.1 per cent.

TOBACCO PLANTING CUT 10 PER CENT.

CURTAILMENT of tobacco production, amounting to 28 per cent. to 64 per cent. in 1931, is urged by agricultural leaders in Southern States, where both bright leaf and burley tobaccos are grown.

In the face of this recommendation early reports to State Departments of Agriculture and surveys by agricultural colleges indicate the actual decrease will be less than 10 per cent. in most cases, while increased plantings are reported in some sections.

The most drastic reduction recommended is in North Carolina, where 66.4 per cent. of the Nation's crop of flue-cured tobacco was grown during the last six years.

Dr. G. W. Forster, economist, of North Carolina State College, has found a 64 per cent. acreage reduction will be necessary if farmers are to receive 15 cents per pound for their product, the amount he said it costs to grow tobacco.

Virginia Department of Agriculture officials indicated a reduction of 28 per cent. to 30 per cent. would be necessary in that State if farmers are to receive a fair price for the crop. The reduction to be in Virginia, second State in production of bright leaf tobacco, will be about 13 per cent., the Department of Agriculture reported.

There is no indication that North Carolina farmers intend to cut their acreage as much as 10 per cent., a survey by Dr. Forster shows. In some sections of the State the acreage will be increased.

Newton Bright, Kentucky Commissioner of Agriculture, said there would be an increase of 15 per cent. in the acreage planted by burley tobacco growers in this State. Kentucky produces the bulk of the burley crop, although it is also grown in East Tennessee and a small amount in Western North Carolina.

If a 10 per cent. reduction is made in flue-cured tobacco, Dr. Forster stated, the resultant total acreage will be 1,055,700 acres, with a probable production of 739,000,000 pounds, which added to the estimated surplus of 715.3 million pounds on July 1, 1931, would give a total supply of 1454.3 million pounds, and a price range of 9 to 12 cents a pound, depending upon quality and business conditions.

BREMER WILL CONTESTED

The contest over the will of Lewis Bremer, retired cigar manufacturer, who died March 10th, leaving an estate valued at more than $800,000, was heard last week before Robert M. Boyle, counsel for the Register of Wills, in City Hall, Philadelphia.

Mr. Bremer, in the last of two wills, written December 9, 1930, divided his entire estate among his son, Lewis Bremer, Jr.; two grandchildren, Susan Rau and Lewis, 3d, who will be twenty-one in June, and his niece, Dr. Elsie T. Reedy, 3101 Midvale Avenue. The first will, dated August, 1923, bequeathed the estate to Bremer's son.

Lewis Bremer, Jr., is contesting the will on the grounds that eighteen months before the last document was written his father was of unsound mind and that he was unduly influenced by his niece. Mr. Bremer lived with Dr. Reedy after the death of his wife several years ago.

CUBAN TOBACCO COMPANY REPORT

Cuban Tobacco Company and subsidiaries report for 1930 net profit of $314,016, against $558,335 in 1929.

JUNE 1, 1931

VOLUME 51 No. 11

THE TOBACCO WORLD

LIBRARY RECEIVED JUN 1 1931 U. S. Department of Agriculture

The Cigar Container Enters Into The Problem Of Selling More Cigars

Aside from radio, newspaper, magazine and outdoor advertising, the container itself, and the lithography which adorns it, play a most important part in attracting the eye of the smoker, and in the protection and display of cigar brands.

The wooden cigar box must be frabricated to exacting dimensions, it must have strength to protect the product in shipment and in handling; the materials of which it is constructed must be favorable to tobacco.

The lithography must stand the most careful scrutiny, and it must be so applied to the wooden container as to in no way mar the embossing, and fine colors and gold, which are frequently employed.

AUTOKRAFT wooden cigar boxes are made only from thoroughly tested materials. The lithography is applied in a manner as nearly perfect as human ingenuity has been able to devise. An inquiry will bring any interested cigar manufacturer still more important facts about AUTOKRAFT wooden cigar boxes.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

With Business At Its Present Level

How can any cigar manufacturer afford to waste a single opportunity to present his cigars under the most favorable conditions.

With Wooden Boxes the whole length, shape and color of the cigar is open for inspection and selection. And, furthermore, the cigar flavor and aroma is ripened to its fullest fragrance in these containers.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 11

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
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$2.00 a Year — PHILADELPHIA, JUNE 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

APRIL cigar withdrawals for 1931 declined slightly less than 10,000,000 according to the Internal Revenue Bureau. This is encouraging after the 132,000,000 drop in the first three months of the year, but the fact must not be overlooked that in April, 1930, withdrawals were off more than 80,000,000.

Admittedly economic conditions are the most important factors in explaining this decrease, but as we set forth in our editorial comment in the May 1st issue, we are open to conviction that the business situation is the only cause.

A letter printed on another page opens up for discussion the question as to whether the taste and aroma of a cigar is, or is not, changed by the fact that the cigar is packed in a non-porous transparent wrapper.

Having already made definite tests with the same size and brand of cigar, one thousand being packed in wooden containers in a transparent wrapper, and one thousand packed in the same type of wooden container in their natural wrapper but with the addition of Spanish Cedar, we are prepared to express an opinion, but refrain from doing so, awaiting the impartial conclusion of other smokers who are making a similar trial.

It is to be noted that Class A cigars are making slight gains in withdrawals while all other classes are declining.

Based on what we assume to be authoritative information, the transparent wrapper and its cost of application runs at a minimum close to $1 per thousand. One man told us that for tubes and labor it cost him $2.15 a thousand. If only fifty per cent. of the cigar withdrawals of the country were in transparent wrappers the minimum bill would be $3,000,000. For what?

There is, according to all argument on the subject, but a meagre profit in the cigar business and the 5-cent cigar is admittedly the least profitable of any class. Yet the manufacturer is turning handsprings to find the cheapest container possible for his brands in order to save possibly 20 or 30 cents a thousand, and on the other hand cheerfully passes out $1 or more a thousand to put a transparent wrapper on his cigars with no definite proof that it in any way improves the character of his products.

The men who buy good cigars—the profitable sizes—know that the container is a most important part of cigar conditioning, and the cigar manufacturer ought to know that it is a valuable merchandising accessory. But instead of exhibiting a willingness to spend 20 or 30 cents more for a better container in order that his brands may go to the trade and the consumer in the best possible package, he willingly spends a dollar or more for what we consider a highly intangible proposition. And we point again to the fact that there is no proof in the cigar withdrawals of the past sixteen months to indicate that non-porous transparent wrappers have contributed anything to increased cigar sales.

From hearsay only, but from men who ought to know, we understand that the nickel cigar is not a highly profitable product. In fact we have been told that the profits average less than one dollar a thousand on some of the largest selling brands. If this is a fact who is paying for the transparent wrapper? Certainly only a part of the cost can come out of the manufacturers of supplies. Certainly it is not taken out of the quality of the tobacco. But the fact remains that whether transparent wrappers cost one dollar or seventy-five cents, the money to pay for them must be found somewhere.

And further if the drift to Class A cigars continues, and profits on this class of cigars remain as low as is claimed, what is going to happen to the classes in the upper brackets? What is going to happen to the business coming at present from those smokers who make cigar manufacturing profitable?

The discriminating public is questioning more and more whether or not cigars in transparent wrappers are as good as they were without the additional covering. And it is something for the cigar manufacturers, jobbers and retailers to think about.

GILLETTE SUES UNITED FOR $10,000,000

The Gillette Razor Company announced last week that it would file suit for $10,000,000 damages, alleging breach of contract in distributing razor blades, against the United Cigar Stores Company.

One allegation is that the United misrepresented its facilities and persuaded Gillette to sign an agreement to provide a large retail outlet for Gillette blades.

The papers allege that the minimum quantity of blades called for by the contract was beyond the capacity of the United to market, and that the excess was disposed of through wholesalers and jobbers, contrary to agreement and to the injury of Gillette interests.

PHILADELPHIA.

FRANK LLANO IN TOWN

FRANK LLANO, of the American Cigar Company, in charge of domestic cigars and imported cigarettes, is in town for a stay of several weeks promoting the sale of "Antonio y Cleopatra" cigars. He is making his headquarters with Yahn & McDonnell, local distributors of this brand, and Mr. Llano reports his company oversold on this quality brand in spite of a considerable increase in production facilities recently when the Passaic factory was re-opened.

A handsome and attractive window display is being placed in prominent locations throughout the city and this brand has enjoyed a splendid increase locally in the past few months, Yahn & McDonnell being oversold on several sizes at the present time.

Richard Hartley, of the Court Cigarette Company, was in town last week visiting the clubs, hotels and prominent retailers on behalf of the "Court" cigarette. This brand is a newcomer in the field, and is a specially blended high-grade cigarette retailing at twenty cents for the popular cup package of twenty cigarettes. Yahn & McDonnell have been appointed local distributors for this brand and it has met with a ready response from the retailer and consumer.

PALEY HOME FROM AMSTERDAM

Samuel Paley, president of the Congress Cigar Company, returned from Amsterdam on Wednesday, where he has been attending the tobacco inscriptions and purchasing some choice Java wrapper tobacco for his company.

The Congress Cigar Company is enjoying a fine, steady business on its "Super Pal" retailing at six cents, and also on its ten-cent sizes. Willis Andruss, sales manager of the company, reports that in view of present conditions throughout the country they are experiencing a fine volume of business.

"ROYALIST" BRAND INCREASING

At the factory of Grabosky Brothers, Incorporated, 21 North Second Street, they report their "Royalist" brand enjoying a splendid demand and showing a nice increase week by week.

Harry Goldstein has been assigned New York City territory and is making many placements of this new brand in that city, where it is meeting with a splendid demand from the consumer.

BAYUK BUSINESS HOLDING STEADY

AT THE offices of Bayuk Cigars, Inc., they report business continuing at a steady pace with a good volume of orders being received daily on their brands, "Havana Ribbon," "Bayuk Phillies," "Charles Thomson," "Mapacuba," and "Prince Hamlet,' and a much more optimistic tone is in evidence throughout their distributing points.

Andrew Dehner, of the A. Dehner Cigar Company, Burlington, Iowa, distributor of Bayuk brands in that territory, was a visitor at the Bayuk factory this week and made a trip through the factory which he pronounced one of the finest trips from the standpoint of interest and educational value that he had ever had.

A group of thirty-five students from the Peirce Business School of Administration also visited the Bayuk factory and made a tour of the manufacturing departments. Following the inspection tour a meeting of the students was held and business methods of various manufacturing concerns were discussed, which proved of intense interest to the students.

Charles L. Steffen, Bayuk territorial manager for Ohio and Illinois, visited the factory last week and went over plans to further increase the summer sale of Bayuk cigars throughout his territory.

Grover C. Munson has just finished a very effective sales campaign with the Jersey City Tobacco Company, Jersey City, N. J., which concern is Bayuk distributor for that district.

Lester Nichols has recently joined the selling force of Bayuk Cigars, Inc., and is working under the supervision of J. J. Snyder, territorial manager for the Southern California district.

A. & H. INCREASING

At the A. & H. Trading Corporation headquarters, 1018 Filbert Street, business is showing a nice increase and it has been necessary to add a clerk and stock-boy to the force in order to keep up with the steady flow of business.

The "Morning-Noon & Night" cigar (A. Siegel & Company, New York), is having a splendid call with the retailers and repeating nicely. This brand is distributed by the A. & H. Trading Corporation, and is packed three in cellophane to retail at ten cents a package.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Now! Please!—Actually put your finger on your Adam's Apple. Touch it—your Adam's Apple—Do you know you are actually touching your larynx?—This is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords. Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" Process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

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"It's toasted"

Including the use of Ultra Violet Rays

Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

Are The Natural Chemical Reactions In Cigars Interfered With By Non-Porous Coverings?

(The following letter from Mr. Charles A. Knapp is printed with the hope that it may arouse the cigar manufacturers of this country to a serious investigation of the importance of the container to the cigar itself; and still further, that it may lead to some definite and thorough study of the effect of the nonporous transparent covering now widely used on cigars—if any. It is only an opinion, but we are inclined to the belief that the decline in cigar withdrawals, and particularly of the higher grades of cigars, is attributable to something more than present economic conditions.—Editor.)

New York City, May 13, 1931.

Editor, The Tobacco World,
236 Chestnut Street,
Philadelphia, Pa.

Dear Sir:

I have read with interest your "Editorial Comment" in the May 1st issue of your publication, and herewith I tender my congratulations for the courageous stand which you have taken relative to the possible reasons for the tremendous decrease in cigar withdrawals. The anxiety of the cigar manufacturer in this connection is evidenced by his extensive use of the radio, and general advertising mediums.

But I wonder if, perhaps, he has not overlooked one important item in the handling of his product which may account for some of the wholesale deflections in the ranks of cigar smokers? I believe that the cigar manufacturer is using the best materials obtainable and that his methods of manufacture are beyond reproach. However, I feel that his "follow thru" of the swing of merchandising is incomplete. I refer to the indiscriminate packing in containers of various materials, and of late, the use of non-porous transparent wrappings which are certain to influence considerably the taste of the cigar.

I am inclined to agree with the Editor in that probably the old methods of packing cigars in their natural wrappers in a Spanish Cedar box may, after all, still prove to be the best method.

From personal observation and experience, it would seem that real quality cigars are in a decided minority. A cigar that promises to be a "good" smoke often becomes distasteful when only half consumed and is discarded at that point. An extremely bad taste is left in the mouth of the smoker, and a half-formed resolution in the mind not to purchase that particular brand again.

A few similar experiences with other brands mean the loss of another cigar smoker—and once lost they seldom come back.

Is it not therefore possible that in disregarding the age-old affinity of wood and tobacco, and the introduction of non-porous wrappings, that the natural chemical reactions which are certain to take place in any product of nature which contains a certain amount of acids, have been interfered with?

It has been found in the aging of tobacco that a slow and mild fermentation takes place. During this process there is a loss of nicotine and the formation of ammonia, a decrease in the content of organic acids, and other oxidation processes in which carbon dioxide evolves. As a result of the formation of ammonia during fermentation, the free acid content is reduced.

In this connection, it may be of interest to note that competent scientific authority states that under favorable conditions some of the chemical reactions which normally take place during the aging process of tobacco, should continue in some measure in the manufactured cigar. This process, of necessity, requires a porous container such as an open pored wood, in order to permit the introduction of oxygen when required. In the case of a non-porous, transparent wrapping, a sort of anaerobic fermentation (fermentation without free oxygen) must evolve, allowing an excess formation of ammonia. In this case the aroma and taste of the tobacco may be materially affected.

It is surely within the memory of many of us when practically all high grade cigars were aged in Spanish Cedar, and even today the real connoisseur always ages his favorite brand in a Spanish Cedar humidor before considering them ready for use. Does this not seem to confirm the fact that there actually exists a natural affinity between the wooden box and cigars in their natural wrappers?

It may be of further interest, and of possible significance, to quote the following excerpt from an old issue of the *Bulletin of the Pan-American Union:*

> **"The subtle influence of the oil of Spanish Cedar is well acknowledged but not chemically explained. The flavor of the better tobaccos is certainly maintained, and some claim is made that it is even enhanced thereby. Experience and experiment long ago disproved the assertion that this influence was imaginative and therefore only a fashion, and the buyers and smokers of choice cigars can at once detect a deterioration when the proportion of oil is below normal. Unquestionably, therefore, it is Spanish Cedar and nothing but Spanish Cedar which, in every country where cigars are made, must be the receptacle for high grade cigars."**

Allow the cigar to breathe; leave off that transparent wrapper, and pack in a Spanish Cedar box—and cigar withdrawal figures should turn upward.

(Sgd.) CHARLES A. KNAPP.

222 Lewis Street,
New York City.

APPEAL DENIED ON LORILLARD BONUS

The Court of Errors and Appeals, at Trenton, N. J., was asked last week, by Merritt Lane as counsel for the P. Lorillard Company, to modify the injunction granted recently by Vice Chancellor Bigelow on application of minority stockholders prohibiting a vote of stockholders on a plan to pay bonuses to directors and to permit an appeal from the injunction to be heard in the present term.

The Court denied the motion.

FEEL *the difference* • HEAR *the difference*

TASTE THE DIFFERENCE!

Like an oasis in the dusty desert of dried tobacco, the new Camel Humidor Pack brings you the joy of fine quality cigarettes in prime mild condition.

Now, wherever you go, you can always be sure of getting a *fresh,* throat-easy cigarette when you demand Camels.

It's easy to tell the difference. Your sense of touch detects it as you roll a cigarette between your fingers. Dry tobacco is stiff and crumbly. Camels are full bodied and pliant.

Even your ear can tell the difference. For a dried out cigarette crackles when you roll it.

But the real test is taste and taste is causing a great nation-wide switch of men and women alike to Camels in the scientific new Humidor Pack.

As you draw in that fragrant, mild, cool smoke, redolent with the luxury of fine Turkish and mellow Domestic leaves, only then do you realize the full importance of this new Humidor Pack.

For scorched or dried tobacco is brash and tasteless and its smoke is unkindly hot to the tongue and throat.

If you are a Camel smoker you have already noticed the improvement the new Humidor Pack makes in this your favorite cigarette.

If you don't smoke Camels, try them for just one day to see how much you're missing. After you've known the mildness and joy of a really *fresh* cigarette, switch back — if you can.

R. J. REYNOLDS TOBACCO COMPANY, *Winston-Salem, N. C.*

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

CAMELS

© 1931, R. J. Reynolds Tobacco Company

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

THAT FOREIGN markets are vital to the well-being of the American tobacco industry is revealed in a bulletin by Louise Moore Colemand, just issued by the Commerce Department's tobacco division. Last year, it is pointed out in the bulletin, exports of tobacco and tobacco products from the United States reached a total value of $165,000,000, of which raw leaf represented over 85 per cent. Based on value, leaf tobacco ranks after cotton as the most important raw agricultural product exported from this country.

While about 38 per cent. of United States production enters into export trade, in the case of certain types of tobacco, the ratio of exports to production is far higher. For instance, shipments abroad of flue-cured, the type used for cigarette manufacture, in 1930 amounted to 51 per cent. of production; exports of dark-fired Kentucky and Tennessee, 77 per cent.; and exports of dark Virginia, 57 per cent. Flue-cured tobacco represented nearly 70 per cent. of total United States exports in 1930.

Cigarettes, according to the bulletin, constitute the most important item of manufactured tobacco sold abroad. In 1930 the total value of United States cigarette exports was $10,187,000, which represented over 80 per cent. of the total export trade in tobacco manufactures. Although American cigarettes are marketed in approximately 100 foreign countries, about four-fifths of the exports go to China, the Philippines, Panama, British Malaya, and France.

Although the United States is the largest grower of tobacco in the world and produces a greater variety of types than any other country, large quantities are imported in order that various blends may be obtained in both the cigar and cigarette industries. Cuba is the most important foreign supplier of tobacco to the American industry, accounting for 68 per cent. of total cigar leaf imports. Approximately 99 per cent. of the cigarette leaf imports come from Greece and Turkey.

During 1930, the bulletin shows, total tobacco production in this country amounted to 1,510,000,000 pounds—an increase of 11.3 per cent. as compared with the average crop during the five-year period 1925-1929. Flue-cured accounts for over half the total production, it is pointed out. The second most important type produced is burley, practically all of which is consumed in domestic manufacture. Domestic consumption of flue-cured in 1930 amounted to 393,000,000 pounds compared with an average of 327,000,000 for the five-year period 1925-1929.

Causes of Tobacco Growers' Troubles Cited

Congressional action to authorize the Secretary of Agriculture to enforce a standard United States system of grading tobacco offered for sale by growers was recommended May 22d by the chief examiner of the Federal Trade Commission, in a report on Southern tobacco marketing methods made following an investigation resulting from charges that price fixing activities of tobacco product manufacturers were causing the industrial downfall of the grower.

The inquiry developed no evidence of collusion among manufacturers in price fixing or purchasing of leaf tobacco, the report stated, but did reveal several causes contributing to the growers' financial difficulties, among them overproduction, lack of systematized grading, antiquated marketing methods, lack of market reports affording essential information as to grades and prices, and lack of co-operation between grower and manufacturer as to types of tobacco necessary to meet the latter's requirements.

As a result of the investigation, the chief examiner recommends reformation of warehouse auction methods so that tobacco may be sold according to proper grade and quality, a daily system of market reports quoting prices on each grade; co-operation between grower and manufacturer so the former will accurately understand the needs of the latter and endeavor to govern the quality and type of tobacco produced, and organization of co-operative marketing systems for collective bargaining to help the producer obtain a fair price.

The petition filed with the commission alleged that large tobacco manufacturers had increased wholesale cigarette prices 40 cents per 1000 late in 1929, although the price paid the farmer for leaf tobacco was said to be less than in 1928. This was cited as additional evidence of illegal working agreements among manufacturers.

Investigation, however, developed that leading manufacturers reduced the wholesale cigarette price to $6 per 1000, less usual discounts of ten and two per cent., effective April 21, 1928, which was a reduction of 40 cents per 1000, the report stated. It was the first price decrease since 1922, and was evidently brought about by severe competitive conditions among manufacturers as well as among wholesalers and retailers of tobacco products. On October 1, 1929, the three principal manufacturers increased the wholesale price of cigarettes to $6.40 per 1000, thus restoring the price level which prevailed prior to the reduction in April, 1928.

At the same time, it is pointed out, prices obtained by growers for leaf tobacco in the flue-cured district in 1930 were much below those obtained in 1929, due to overproduction, which reached the highest market in the tobacco industry's history in 1929, the season in which the complaints were filed.

(Continued from Page 14)

CIGAR PUBLICITY COMMITTEE NAMED

AT a meeting of prominent cigar manufacturers held on May 12th, at the Hotel Roosevelt, in New York City, plans were discussed in regard to more effective co-operation in the cigar industry, particularly in matters relating to the dissemination of news and statistical information reflecting conditions in the industry.

There were about forty leading cigar manufacturers and leaf tobacco dealers in attendance, and they advocated strongly the need for a vigorous co-operative effort in the industry.

Paul Christian, vice-president of the Consolidated Cigar Corporation, presided at the meeting and urged the creation of a fund for the development and dissemination of facts about the cigar business which would counteract many misleading impressions which have become prevalent among the public at large.

The following committee was appointed to work out plans for raising a suitable fund to carry on the necessary work involved: Paul Christian, chairman; Harvey Hirst, president of Bayuk Cigars, Incorporated; William Best, vice-president of the General Cigar Company, Incorporated; and John H. Duys, president of John H. Duys & Company.

A number of the manufacturers and leaf dealers present at the meeting agreed to contribute their proportion of a fund to carry out the plans as outlined at the meeting.

LIP CANCER NOT CAUSED BY SMOKING

One of the arguments that anti-tobacco cranks were in the habit of bringing against the use of tobacco was that smoking caused lip cancer by causing repeated injuries to tissue at a particular spot.

The British Ministry of Health have just issued a memorandum which should silence the cranks. It states that no clear evidence has been adduced to support the theory that smoking causes lip cancer.

"As to the assertion that smoking is responsible for the great excess of cancer of the tongue and also of the lip in men compared with women," the memorandum adds, "it is pointed out that the statement is too wide to be of much value, because so many factors are concerned. No evidence has been adduced to support the contention that the mere inhalation and exhalation of tobacco smoke is of importance, although two possible causes of 'irritation' are present, such as heat and the products of combustion." — *Irish Tobacco Trade Journal.*

"POSTMASTER" CIGARS IN WOOD BOXES

The P. Lorillard Company announces to the trade that their "Postmaster" cigar is now being packed in containers of 100 cigars each, and that they are in wood boxes.

This is another evidence that established manufacturers of cigars recognize the established value of wood as a container for their product.

WEBSTER EISENLOHR EARNINGS

Webster Eisenlohr, Incorporated, reports for the quarter ended March 31, 1931, gross profit from manufacturing of $241,181, against $240,497 in the corresponding quarter of last year, and a deficit, after all expenses, of $106,526, as compared with $105,371 in the first three months of last year.

CHAIN STORE TAX HELD VALID

THE United States Supreme Court in Washington on May 18th, in a five to four decision, upheld Indiana's chain store tax, compelling chain stores operating in that State to pay more for operating than independent establishments.

Lafayette A. Jackson, operating 223 stores in Indianapolis, brought suit, claiming the statute was unconstitutional.

Unusual attention was attracted to the case by protests on the growth of the chains and by similar attempts in other States to tax them. North Carolina's tax on chain stores is pending before the Court.

Justice Roberts said, in presenting the majority opinion, that the case hinged upon the power of the Legislature to classify business, "so long as its action is not unreasonable and arbitrary."

He took the view that there was enough difference in chain stores and independent units to justify the Indiana law. Chief Justice Hughes and Justice Holmes, Brandies and Stone agreed.

Justice Sutherland, in a dissenting opinion concurred in by Justice McReynolds, Van Devanter and Butler, held the law obviously was discriminatory, and added:

"The power to tax is the power to destroy; and this constitutes a reason why that power, however moderately exercised in given instances, should be jealously confined to the limits set by the Constitution."

"The problem of taxation is fundamental to the very existence of the government of states," Justice Roberts said. "The fact that a statute discriminates in favor of a certain class does not make it arbitrary, if the discrimination is founded upon a reasonable distinction."

Chain store stocks suffered a severe sinking spell in the afternoon, coinciding with the decision of the Supreme Court. Kroger was off about four points and Safeway Stores was in supply. The mail order leaders, Montgomery, Ward and Sears Roebuck, were lower and Woolworth lost nearly three points.

Woolworth Head Praises Decision

H. T. Parson, president of F. W. Woolworth Company, viewed with optimism the Supreme Court decision.

Mr. Parson pointed out that the decision cleared the atmosphere on the question of chain-store taxation and "sets a pattern to be followed by other States involving a reasonable tax that can easily be absorbed through a slight increase in retail prices."

Under the Indiana law, he said, Woolworth will pay an annual tax of about $750 on its forty stores in that State.

UNITED FILES COUNTERSUIT

A countersuit for $7,000,000 damages was filed on Wednesday by the United Cigar Stores Company of America against the Gillette Safety Razor Company in the United States District Court, Newark, N. J. The United alleged breach of a contract dated July 20, 1927.

Officials of the United Company in explanation of the suit said that friendly negotiations, which had been proceeding at the request of Gillette for a modification of the contract between the two companies, had been abruptly broken off by Gillette.

Negotiations were ended, the statement said, upon United's refusal to grant Gillette's request for an extension of time for making the payment due May 1st on the contract.

FLORIDA TOBACCO TAX KILLED

AFTER waging a vigorous fight against the proposed tobacco tax bill in the Florida legislature, the bill was killed in the Senate on May 18th.

Although tobacco interests were successful in defeating the passage of the bill at this time, it is thought that an effort will probably be made later to again bring the bills up for action.

There were two bills pending; one proposing a tax of six cents a package on cigarettes, and the other proposing to tax both cigars and cigarettes.

The bill taxing cigars called for a tax of $3 a thousand on cigars selling for three cents each or less, and $10 a thousand on all other cigars. It also provided for a tax of ten cents on each three ounces of snuff and chewing tobacco; one cent on every five cents retail selling price for smoking tobacco, as well as a tax on many other commodities.

The Tampa cigar and tobacco interests waged a vigorous battle against the bills through the legislative committee of the Tampa Cigar Manufacturers' Association, and also through the legislative committee of the Tampa Chamber of Commerce.

The Cigar Manufacturers' Association committee is headed by Manuel L. Perez, of Marcelino Perez & Company, and the Chamber of Commerce Committee is headed by A. L. Cuesta, Jr. ther members of the committees who were present in Tallahassee were: Val. M. Antuono, Mariano Alvarez, Thomas D. Fisher, Jerome Regensburg, H. S. Foley, and D. H. Woodbery.

FACTORY ADDITION FOR "ADMIRATION"

Mortimer Regensburg, president of E. Regensburg & Sons, makers of "Admiration" cigars, returned to New York City last week from Tampa, Fla., where he completed arrangements for the construction of an addition to the Tampa factories of his company.

Contract has been awarded for construction of a $40,000 brick addition to the present Ybor City factory of the company, which will be practically 50 per cent. as large as the present building, now one of the largest factories in that city.

The addition will be 60 feet by 95 feet and three stories high with a finished basement across the east end of the building. The new building will conform in style and facilities with the present building.

The company operates a companion factory in West Tampa, and the addition to the Ybor City factory is expected to be finished in ninety working days.

The interior of the addition will be of standard factory type construction with steel beams and columns. Walls of the second floor, to be occupied by cigarmakers and selectors, will be finished with glazed tile, and the ceilings will be finished to give the best possible lighting.

The first floor will be used for packing and shipping departments, and the third floor for preparation of tobaccos. The basement will be used for storage, and will contain a cold storage department.

The company's business has increased to such an extent since the first of the year that practically every chair is occupied in both factories, and the addition is necessary in order to provide for expansion, which is imperative during the late summer and fall in order to supply the Christmas demand for "Admiration" cigars.

CIGARETTE PRICE ADVANCE COLLAPSES

AFTER less than four weeks of selling cigarettes at the increased price of 15 cents a package or two for twenty-seven, the retail price was reduced to the old figures of thirteen cents or two for a quarter on Monday morning of last week by the chain stores with the independent merchants immediately following.

Failure to maintain the increased price, which had been hailed with much rejoicing by the independent retailer as a means of increasing his earnings to the point where he could continue to exist, was blamed by the industry on the failure of the A. & P. stores and the Liggett drug chain to raise their cigarette prices in line with those of the Schulte and United chains, and the A. & P. and the Liggett chain each blame their failure to raise on the other, so thus ends another sweet dream.

The independent tobacco retailers have had their hopes raised and dashed so often that they are becoming stoical and are simply waiting to see what is going to happen next, and wondering whether they will be here to see it when it does happen.

Although it has been hinted and rumored many times that the cigarette manufacturer was about to come to the rescue with an increase in wholesale prices of the popular brands, they have apparently decided that the time is not ripe for such a move, and now is unquestionably a poor time to force increased prices on the consumer and try to make him believe that it is for his own good. When business conditions approach nearer to normal, something will probably be done to lighten the burden of the retailer and jobber.

U. S. TOBACCO AND ITS MARKETS

The Department of Commerce, Bureau of Foreign and Domestic Commerce, Washington, D. C., announces the release of a booklet "United States Tobacco and its Markets," trade information bulletin 757.

This is a brief survey of the American tobacco industry—production, consumption, exports and imports. The United States is the world's largest grower of tobacco and accounts for over 40 per cent. of the tobacco which enters into world trade. In the belief that the potentialities of the tobacco export trade can be more intelligently gauged if outstanding data are assembled in correlated form, the Department of Commerce has caused this bulletin to be prepared.

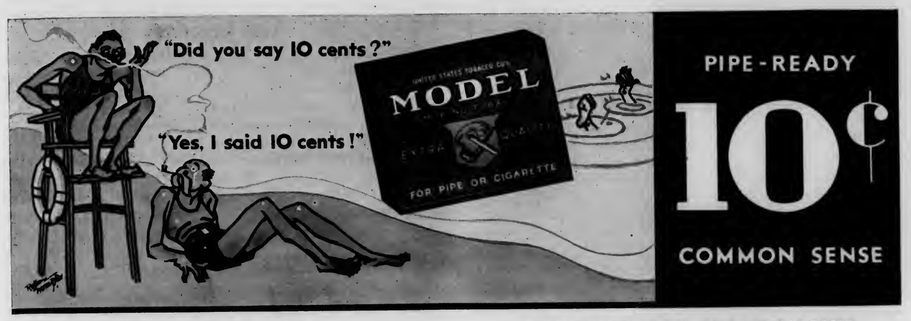
The first section of the bulletin is devoted to a discussion of production, exports and imports of tobacco and tobacco products. The second section is composed of statistical tables, covering every phase of the tobacco industry. For the purposes of comparison totals and averages have been prepared covering the five-year period 1925-1929.

Copies of the bulletin may be obtained for ten cents from any branch office of this Bureau or from the Superintendent of Documents, Washington, D. C.

NEW PACKING FOR "DAWN" CIGARETTES

The recently introduced "Dawn" cigarette, which is lighted without the use of matches by simply rubbing the end of the cigarette on the specially prepared surface of the box, is soon to appear in the popular packing of twenty cigarettes to retail for twenty-five cents. Formerly the smallest package obtainable was one of fifty cigarettes. The "Dawn" cigarette has met with instant popularity since its appearance on the market.

Yahn & McDonnell are the local distributors of this brand.



THE LURE OF A CIGAR

EXPERIMENTS carried on at the Pennsylvania State College disclose that the "pipe dreams" which flow from smoking a good cigar are due largely to the presence of potash and iron.

Without these chemicals it is found the smoke loses its seductiveness and the cigar becomes a distillation retort brewing much bitterness. These studies of the burning qualities of cigar leaf tobacco are being made by Dr. D. E. Haley.

One of his helpers is a robot with glass throat and water lungs, which puffs cigars mechanically with the rhythm of a living smoker. Water flowing through a valve governs the timing of the puffs. Test tubes arranged like the pipes of an organ catch and analyze everything in the smoke.

"A good cigar, when once ignited," he says, "will hold fire for many minutes. When smoked the tobacco burns with a glow rather than a flame and a very high temperature is obtained.

"Some cigars do not burn as well as others, hence a considerable quantity of materials may be distilled rather than consumed. Some of these may condense in the cigar, raising the temperature, and the remainder appears in the smoke. These products of distillation are usually quite bitter and may seriously interfere with the taste of the smoke."

The potash helps the burning, a fact, he says, which is appreciated by other scientists. This substance has figuratively the effect of a meat chopper. It reduces the cellulose and other compounds of the leaf to finely divided particles. This increases the surface available for oxidation—that is, for burning. This action of potash is aided materially by the liberation of water in the course of the reaction and by the high temperature of the glowing surface.

The iron completes the combustion. It must be present in the leaf in combination with the potash or with similar compounds. When heated these compounds liberate magnetic metallic iron particles. Dr. Haley finds that these function in the glowing portion of the cigar as catalysts, in some way finishing the combustion of other substances and maintaining the maximum temperature of the glow, without allowing it to spread too far.

This potash and iron come from the soil, and the supply may be increased by proper fertilization, which is one of the objectives of these cigar studies.

Following the publication of the above findings of Dr. Haley, a writer, in the *New York American*, states: "A noted savant has robbed us of another delusion. He has taken another joy from our life. He says that what gives tobacco its hold on us is that it is full of iron and potash.

"And we thought all along it was the wicked nicotine. One of the charms of tobacco has been the shadow of vice hanging over it. Dragging at a cob pipe or puffing at a cheroot we used to feel slightly dissipated. Some of the unholy joy we felt when we smoked that first cigarette behind the barn invades our souls.

"It appears that all the time we were taking things very good for our health, like raisins and salt. Let us hope the savant is wrong after all. It might be that a cigar he encountered tasted as if it were made of iron and potash. Some cigars taste like burning tires, but that doesn't prove anything."

TOBACCO TRADE ORGANIZATIONS

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CHARLES J. EISENLOHR, Philadelphia, Pa.	Ex-President
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CHARLES DUSHKIND, New York, N. Y.	Counsel and Managing Director

Headquarters, 341 Madison Ave., New York City

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NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN	President
SAMUEL WASSERMAN	Vice-President

EGYPTIANS INCREASE DUTY ON TOBACCO TO TAKE THE PLACE OF OCTROI TAX

THE following information, taken from the *Egyptian Gazette,* has been submitted to the Tobacco Division of the Department of Commerce by Commercial Attache, Charles E. Dickerson, Jr.:

"For many years the Octroi Tax has been a source of revenue to Municipal, Local and even Village Councils in Egypt, but it has at the same time been a thorn in the sides of the populace. It was a duty which was levied on all articles entering the different towns in Egypt, a sort of internal customs duty, which enabled Councils to raise money to meet the ordinary expenses of upkeep and improvement. The distasteful quality about this tax was not the amount, for in most cases it was not large, but the fact that it was levied in a manner which laid it open to abuse, and in other respects fell unfairly on the people. For instance, the tax was collected by an official posted at the entrance to every town, and a traveler entering had to pay the tax. If the tax amounted only to a millieme or so, the collector very often charged one piastre. Also in the case of a lorry load of goods being transported from Cairo to Alexandria, Octroi had to be paid on these goods in every town en route.

"This tax has now been abolished. The decision was passed by a meeting of the Council of Ministers held on Wednesday night. As, however, Municipal and other Councils relied upon the proceeds of the Octroi for their working funds, some other source of revenue had to be found, and so the Cabinet decided that the duties on tobacco should be raised from P. T. 90 to P. T. 100 per kilo. The amount of tobacco imported annually into Egypt is in the neighborhood of 7,000,000 kilos, producing revenue, at the old rate, of about L. E. 6,300,000. By raising the tax by P. T. 10 the additional revenue, given the same quantity of imports, would be L. E. 700,000. The Octroi, however, produced only L. E. 421,000 per annum, and the costs of collection were L. E. 47,000. Thus, the abolition of the Octroi and the imposition of the new tobacco duty will produce an increase in revenue of L. E. 325,000.

"The cabinet do not intend to take any of this for the Budget, but will apply the surplus to the needs of Municipal Councils. Should the raised tax result in a diminution of imports, the Government will take from whatever increase there is above the Municipal Council's L. E. 375,000 sufficient to bring the Government's revenue from tobacco up to the estimated figure. According, however, to the head of the leading firm of tobbaco importers, a firm which imports about seven-eighths of the total, tobacco is the only commodity not affected by the present crisis; people still consume as much as before, and therefore he does not believe that the raising of the duty will have much effect. There will thus be a solid extra sum for Municipal Councils to spend on schemes of drainage, sanitation, roads, etc. Moreover, it is not expected that the increase on tobacco duties will raise the price of cigarettes, for on imported cigarettes the increase comes to less than two milliemes per box of twenty. What is important is the Octroi, a tax which has harassed Egypt in a petty manner for many years, has at last been done away with."

CIGAR PRODUCTION DECREASES 583,437,211 IN TEN MONTHS

Cigars:	*1st 10 Months Fiscal Year 1930*	*1st 10 Months Fiscal Year 1931*
Class A—		
United States	2,995,577,140	2,948,652,930
Porto Rico	98,359,040	125,692,155
Philippine Islands	130,746,325	126,646,555
Total	3,224,682,505	3,200,991,640
Class B—		
United States	413,911,567	294,174,336
Porto Rico	3,196,430	2,561,450
Philippine Islands	1,983,255	1,255,631
Total	419,091,252	297,991,417
Class C—		
United States	1,738,987,146	1,351,099,654
Porto Rico	12,834,930	7,661,730
Philippine Islands	585,456	887,492
Total	1,752,407,532	1,359,648,876
Class D—		
United States	114,485,147	90,522,716
Porto Rico	46,200	30,200
Philippine Islands	8,460	9,430
Total	114,539,807	90,562,346
Class E—		
United States	22,310,523	17,384,676
Porto Rico	33,400	3,600
Philippine Islands	29,286	69,581
Total	22,373,209	17,457,857
Total All Classes:		
United States	5,285,271,523	4,701,834,312
Porto Rico	114,470,000	135,949,135
Philippine Islands	133,352,782	128,868,689
Grand Total	5,533,094,305	4,966,652,136
Little Cigars:		
United States	330,479,373	290,344,279
Porto Rico	6,000,000	5,050,000
Philippine Islands	.....	.....
Total	336,479,373	295,394,279
Cigarettes:		
United States	97,884,141,228	97,676,529,348
Porto Rico	1,023,020	17,171,000
Philippine Islands	2,594,730	1,894,403
Total	97,887,758,978	97,695,594,751
Large Cigarettes:		
United States	7,806,111	5,409,893
Porto Rico	2,834,400	1,900,000
Philippine Islands	.....	5,800
Total	10,640,511	7,315,693
Snuff (pounds):		
All United States	34,339,346	33,269,810
Tobacco, mfd. (pounds):		
United States	277,888,465	269,135,617
Philippine Islands	1,815	1,384
Total	277,890,280	269,137,001

APRIL PRODUCTION SHOWS SLIGHT DECREASE

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of April, 1931, and are issued by the Bureau. (Figures for April, 1931, are subject to revision until published in the annual report):

Products		*April 1930*	*April 1931*
Cigars (large):			
Class A	No.	279,347,925	297,712,280
Class B	No.	31,276,523	28,730,580
Class C	No.	148,048,362	124,207,224
Class D	No.	10,226,064	8,462,403
Class E	No.	1,069,724	869,413
Total		469,968,598	459,981,900
Cigars (small)	No.	33,042,520	27,157,453
Cigarettes (large)	No.	872,350	612,779
Cigarettes (small)	No.	9,535,460,463	9,470,621,253
Snuff, manufactured	lbs.	3,703,984	3,399,241
Tobacco, manufactured	lbs.	27,557,129	27,381,757

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of April:

Products		*April 1930*	*April 1931*
Cigars (large):			
Class A	No.	9,496,690	10,819,225
Class B	No.	487,500	163,700
Class C	No.	2,515,050	655,850
Class D	No.	7,500	6,000
Class E	No.	.....	500
Total		12,506,740	11,645,275
Cigars (small)	No.	1,000,000	500,000
Cigarettes (large)	No.	202,000	100,000
Cigarettes (small)	No.	256,000	1,000,000

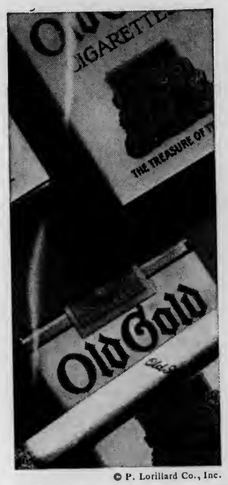
Tax-paid products from the Philippine Islands for the month of April:

Products		*April 1930*	*April 1931*
Cigars (large):			
Class A	No.	10,797,325	10,568,525
Class B	No.	137,713	94,810
Class C	No.	40,932	20,902
Class D	No.	71	110
Class E	No.	3,510	100
Total		10,979,551	10,684,447
Cigarettes (small)	No.	168,820	97,040
Tobacco, manufactured	lbs.	127	86

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the April Statement of Internal Revenue Collections

Objects of taxation	*First ten months 1930 Fiscal Year*	*First ten months 1931*
Tobacco manufactures:		
Cigars	$17,956,942.76	$15,208,078.61
Cigarettes	293,717,337.06	293,084,252.26
Snuff	6,181,082.55	5,988,565.59
Tobacco, chewing and smoking	50,025,380.95	48,451,600.69



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THE CIGARETTE
IS MIGHTIER
THAN THE PEN

OLD GOLD tells its own
Taste winning story
Better than all
The diction in
The dictionary.
It's a
TRUE story
And the truth
Is something
That can't be
Hidden!

OLD GOLD
CIGARETTES NOT A COUGH IN A CARLOAD

LA PALINA
AMERICA'S LARGEST-SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

"The one-crop system of farming is a contributing cause of financial distress among tobacco farmers," the report continued. "Under this system tobacco is made the cash crop and every reliance is placed on it to produce the necessary returns with which to meet the financial obligations of the grower, as well as to provide him with funds for his living expenses. Diversification, therefore, is a method by which the farmer can help himself."

The Trade Commission investigation covered North Carolina and Georgia in the region producing flue-cured tobacco. The North Carolina growers, in the "old belt" which has produced tobacco longer than any other section, are generally experienced in the arts of grading and marketing, the report commented, but it was found that in Georgia, where tobacco has been cultivated only in recent years, the growers were in many cases lax in their marketing methods, marketing the loose leaf, leaving it untied, which is a distinct disadvantage in the matter of price when tobacco in that condition reaches the warehouse floor.

The prevailing methods of auctioning tobacco are declared to be entirely out of harmony with modern marketing requirements and constitute another cause of low prices for tobacco in the flue-cured districts.

As long as the present system of auction markets continues, the report holds, there is not much occasion for the large buyers of tobacco to enter into a price-fixing agreement. They now, it is pointed out, have every advantage and when overproduction is prevalent the likelihood of agreements on price is remote.

In the sections visited by the Examiner practically every farmer who was interviewed expressed great dissatisfaction and violent opposition to the present system of grading and selling at auction. A daily system of market reports giving quotations on each grade of tobacco sold on the various warehouse floors would provide the grower with adequate information, it is declared. The present system merely quotes the average price of tobacco on the warehouse floor, which is of small benefit to the grower as the average price is that at which all tobacco from high to low grade is sold; it gives the grower no data as to specific grades.

The Chief Examiner expresses the belief that not only should authority to enforce a system of United States standard grading of tobacco be g iven the Secretary of Agriculture, but that the tobacco-growing States should co-operate with the Department of Agriculture in adopting and enforcing the grades established by the department in the auction warehouses. Recent events, it is declared, indicate that the co-operative movement among tobacco growers is again gathering momentum.

Strikes Threatened if Wages Reduced

Strongly reiterating that labor is looking askance at the increasing tendency of certain employers to use the depression as an excuse for slashing wages, William Green, president of the American Federation of Labor, last week declared that reorganized labor was preparing to utilize the strike weapon, if necessary, in order to protect the workers.

"We feel," said Mr. Green, "that we are being driven to the point where we must resist attempts of employers to reduce wages, even though it may be necessary for workers to go on strike. Since employers definitely assured the President of the United States that they would maintain wages, we feel there is a moral obligation on all employers to carry out that understanding. It was made with the Chief Executive of the nation and given in response to an official request the President made to employers and labor."

No room for doubt was left by the head of the American Federation of Labor that organized labor would use the strike weapon in defense of its interest, but would only do so reluctantly. He indicated that organized labor has maintained its side of the truce requested by President Hoover and has refrained from demanding increased wages of pay in the face of the present economic situation.

War Department Plans No Military Control of Industry in Event of War

No imposition of military control over industrial establishments is planned by the War Department in the event of another war, the War Policies Commission was told by Gen. Douglas MacArthur, Chief of Staff of the Army, at a hearing May 13th.

Peace time planning of the General Staff for the conduct of industry in the event of war, the board was told, is designed to inform industry in detail of the needs of the Army and Navy in time of war, to establish a close liaison between the combatant services and industry that would be necessary, and to preserve in usable form the lessons of the late war concerning the industrial effort. Any plan that attempted to inject Army or Navy Officers into industry, General MacArthur declared, would be certain to fail.

As an example of the War Department's unwillingness as an organization of government to propose any scheme of which successful operation in war is doubtful, the General referred to a plan presented to the War Policies Commission last March, by Bernard M. Baruch, war time chairman of the War Industries Board, recommending peace time legislation designed to effect a wholesale "freezing" of all prices upon the outbreak of an emergency. Under this legislation the President would be empowered to fix by proclamation the price structure of any particular date as that at which any commodity, service or material could be traded during the period of the emergency.

Aside from legal and constitutional barriers to the enforcement of such a law, General MacArthur declared, the War Department feels that injustice and hardship would develop to such an extent as to incite popular dissatisfaction and create distrust toward governmental orders and programs. "If such a condition should arise," he said "it is doubtful that we could count upon that acceleration of essential production that we know would be vital to us in a grave emergency. The department's reluctance to commit itself to that plan is enhanced by the fact that practically every government in recorded history, in peace and war, has attempted to 'freeze' prices of commodities and services. In each instance history shows that the factors of supply and demand and price do not respond readily to governmental fiat."

In a broad way, the Commission was told, the General Staff's plan for war includes equalization of the economic burden by systematic registration of wealth during the period of the emergency and tax legislation framed to place an equitable burden thereon, orderly and economic procurement by the Government of its war needs, strong and intelligent leadership, application of governmental controls to meet requirements of

(Continued on page 15)

News from Congress

(Continued from page 14)

the specific situation and to prevent any profiteering, and prompt resumption of normal peace conditions upon the termination of the war. The plan of the General Staff, he emphasized, does not include the conscription of labor, it being believed that the country would not stand for such a move.

Change in Enforcing Antitrust Laws Only Through Act of Congress

Any change which may be made in activities of the Department of Justice in enforcing the antitrust laws can come about only through a mandate from Congress, expressed in legislation, according to Atty.-Gen. William D. Mitchell.

Discussing the activities of his department in an address May 16th, the Attorney-General made it clear that no encouragement can be given efforts which have recently been made to have the antitrust statutes tacitly suspended until normal times return, especially in the oil and certain other industries handling natural resources, where overproduction, low prices and resulting wastes prevail.

"Enforcement of the antitrust laws recently has presented difficulties," the Attorney-General admitted. "Because of business depression and unemployment it is a delicate matter to take any action which may have a tendency to unsettle any business or delay business recovery, but the Attorney-General has no authority to refrain from enforcement of the antitrust laws because business is not prosperous, and we have proceeded with this work, impressed, however, by the necessity for using peculiar care to make no unjustified attacks on any business and to so regulate our action as not unnecessarily to aggravate distress. The antitrust laws have a double purpose. By preserving competition they are intended to protect the consumer against exorbitant prices and to insure to the average individual freedom to engage in trade and commerce. If we are to abandon these fundamental concepts and permit combinations to limit competition, substituting governmental regulation to protect the public against extortion and oppression, the change will have to be made by legislation."

GRIFFIN AGAIN HEADS CONNECTICUT LEAF DEALERS

At the annual meeting of the Connecticut Leaf Tobacco Dealers' Association, held at the Tumblebrook Country Club, Hartford, Conn., on Wednesday, May 13th, Fred B. Griffin, vice-president of Cullman Brothers, was re-elected president of the association for the current year. Albert Newfield, vice-president of the Hartman Tobacco Company, was re-elected first vice-president of the association, and Jean Shepard, of South Windsor, was elected second vice-president. Philip Hammerslough, secretary of L. B. Haas & Company, Inc., was re-elected secretary and treasurer.

A golf tournament was held during the afternoon, in spite of a drenching rain, and prizes were awarded in a novel manner. The scores were placed in a hat and withdrawn one at a time, and J. W. Alsop won first prize in spite of the fact that he didn't really win the golf match.

Charles G. Griffin, turned in the low net score of 72 with Fred B. Griffin, second with a net of 74.

LITTLE JACK LITTLE ON BAYUK PROGRAM

LITTLE JACK LITTLE, the diminutive "whispering baritone," and one of radio's favorite personalities, will headline the Bayuk Stag Party broadcast Sunday night, May 31st, at 9:15 E. D. T. from WJZ and associated stations.

Even before he became one of the big hits of the air, Little had had an interesting career. Born in London at the turn of the century, he was a child prodigy at the piano and played for the King and Queen of England before he was six.

Coming to America with his father when still a boy, Jack joined with a young singer to become a team of song-pluggers for a music publishing house. His partner sang while Little played the accompaniment. Jack never had tried to sing. One day, however, the partner failed to show up for an important engagement. Little had to sing the songs as well as play the accompaniment and thus, entirely by accident discovered the magnetic quality of his unusual voice.

Soon Little found that this "personality whisper" method of getting songs across was particularly adapted to radio. This was the beginning of a success that has been continuous for five years and seems to grow every time he broadcasts.

On his Bayuk program Little will "whisper" several popular numbers in his characteristic style. Nat Brusiloff and his orchestra will fill out a snappy program.

Miss Elinor Smith was the guest speaker on the Bayuk Program broadcast last Sunday night.

Miss Smith's hairbreadth escape from a terrible death occurred recently when she tried for a new woman's altitude record. Ascending from her home flying field on Long Island, the little blond pilot soared high over Manhattan until she was completely lost to the sight of the gaping thousands below. At about 25,000 feet her oxygen mask was accidentally knocked aside and she became unconscious. Her plane rushed crazily downward, falling thousands of feet directly over Manhattan. In the lower atmosphere the brave little pilot suddenly regained consciousness and realized at once her perilous position.

TOBACCO ADULTERATION PROHIBITED IN EGYPT

The Egyptian Government has been investigating for some time the question of adulteration of tobacco products which is said to have been practiced by some of the Egyptian manufacturers, according to a report received in the Tobacco Division of the Department of Commerce from Assistant Trade Commissioner, Gabriel D. Ferrante. A law prohibiting the use of cigarette ends and foreign matter in the manufacture of tobacco has been drafted and the examination of the draft completed, but it is not as yet enforceable, as will be observed from the extract below which appeared in the "Egyptian Gazette" April 11, 1931.

"It is stated that the Legislative Commission has completed its examination of the draft law prohibiting the adulteration of tobacco, but the draft will have to be approved by the General Assembly of the Mixed Court in order that it may be applied to foreigners, before submission to the Council of Ministers. The craft considers adulteration as the addition of 'strange matter' to tobacco also the manufacture of tobacco from cigarette ends. Cigarette manufacturers will be obliged to register their names, nationally and addresses with the Government, whose representatives will have the right to inspect factories at any time and to take samples for chemical analysis."

MILKMAN WINS $25,000 "CAMEL" PRIZE

JAMES THOMAS SHARKEY, thirty-two, a milkman in Boston, was awarded the $25,000 first prize in the $50,000 nation-wide contest for the best letter setting forth the advantages to smokers of the new moisture-proof cellophane wrapper on "Camel" cigarette packages, officials of R. J. Reynolds Tobacco Company and the contest judges announced last week. Sharkey lives at 101 Train Street, Dorchester, Mass., a suburb of Boston.

Mrs. Walter Sweet, mother of three children and wife of a Marine Corps captain now stationed at the Brooklyn (N. Y.) Navy Yard, won the second prize of $10,000.

Third prize of $5000 went to Julius M. Nolte, real estate dealer of Duluth, Minn., and former secretary of the Duluth Commercial Club.

In all thirty-eight prizes were awarded, of which five were for $1000 each, five were for $500 each, and twenty-five were for $100 each. Judges of the contest were: Roy Howard, chairman of the board of the Scripps-Howard League of newspapers; Charles Dana Gibson, famous artist and publisher of Life Magazine, and Ray Long, president of the International Magazine Company and editor of Cosmopolitan.

The five prizes of $1000 each were awarded to the following:

Albert B. Franklin, 3d, twenty-two-year-old graduate student at Harvard, who lives at 52 Kirkland Street, Cambridge, Mass.

John R. McCarthy, thirty-eight, blind tobacco store proprietor of 721 Main Street, Willimantic, Conn.

Frederick E. Robinson, Latin-American mining engineer residing in Coronado Beach, Cal.

William A. Schrader, aerial photographer at Curtis-Wright Airport, Louisville, Ky., who lives in the Brent Apartments in New Albany, Ind.

Dr. D. H. Soper, of 523 East Brown Street, Iowa City, Iowa, an instructor in dentistry at the University of Iowa.

Five prizes of $500 each, and twenty-five prizes of $100 each were also awarded.

A total of 952,228 answers were received in the contest, which was announced in an eight-day newspaper advertising campaign which 1713 dailies, 2139 weeklies and 426 college and financial newspapers were used. The only other announcement of the contest was on the Camel Pleasure Hour broadcasting network and consisted merely of an invitation to read the contest details in the newspapers.

Sharkey, the winner of the first prize of $25,000, is married and is a milk route foreman at the South Boston plant of H. P. Hood & Sons, Incorporated, milk distributors, and lives at 101 Train Street, Dorchester, Mass. He wears overalls at his work, and is slender, of medium height, and has deep-set blue eyes.

Born in County Tipperary, Ireland, he came to the United States alone at the age of sixteen. Landing at Ellis Island in New York, he went at once to Boston, where he did odd jobs. Eight years ago he got a job with the Hood Company delivering milk. He rose to the rank of foreman and now has several milk routes under his supervision.

Sharkey believes he is best fitted for a salesman. It was this flair for selling, plus his own experience in getting his cigarettes wet while delivering milk, that caused him to enter the "Camel" contest. He was quick to note the advantages of the new cellophane wrapper on "Camel" cigarette packages, and his letter was based on personal experiences in testing the wrapper both as to protection of the fresh tobacco flavor, and to the ability of the new package to exclude rain, moisture and germs.

Mrs. Sweet, winner of the $10,000 second prize, is the mother of three boys, the oldest of whom is only ten. A graduate of Radcliffe College in 1920, she has traveled with her captain husband to Marine Corps posts in Santa Domingo, the Virgin Islands, and other out-of-the-way places. She experienced the hurricane in Porto Rico, and was in Dover, N. J., at the time of the big explosion there. She is a sportswoman and is tremendously interested in child psychology.

In her travels about the world with her husband, Mrs. Sweet observed how torrid and damp weather in varying climates parched or mildewed cigarettes. She noted that carton after carton of cigarettes shipped to the Marines spoiled and had to be thrown away, and easily realized how the protecting moisture-proof cellophane wrapper on "Camels" would result in fresh, sweet smokes for service men in distant lands.

The third prize-winner, Mr. Nolte, who will receive $5000, is a real estate dealer and instructor in the English extension division of the University of Minnesota.

He lives with his wife in the Duluth suburb of Glen Avon, and is a Yale graduate and a member of Phi Beta Kappa, honorary scholastic fraternity. He is a typical outdoor man, and bird lover, hunter and fisherman. During the war he was an aviator with the American Army, and is a former deckhand and forester. He is the father of four children.

Nolte based his contest letter on the many advantages offered to the outdoor cigarette smoker by the new moisture-proof cellophane wrapper which protects "Camel" cigarettes in all kinds of weather and keeps them fresh.

Telegrams of notification were sent to each of the prize winners by R. J. Reynolds Tobacco Company. Winners of the three major prizes were invited by the company to come to Winston-Salem to receive their checks at a formal presentation last week. Checks were mailed to the thirty-five other prize winners.

UNITED STATES CIVIL SERVICE EXAMINATION

The United States Civil Service Commission announces the following-named open competitive examination:

Junior Marketing Specialist (Tobacco)

Applications for the position of junior marketing specialist (tobacco) must be on file with the U. S. Civil Service Commission at Washington, D. C., not later than July 7, 1931.

The examination is to fill vacancies in the Bureau of Agricultural Economics, Department of Agriculture, for duty in Washington, D. C., or in the field.

The entrance salaries range from $2000 to $2600 a year.

Competitors will be rated on practical questions relating to tobacco, and on a thesis.

Applicants must have had four years of suitable experience in tobacco buying or grading; provided, that each year of educational work successfully completed in a college or university of recognized standing may be substituted for one year of the experience requirement.

Full information may be obtained from the secretary of the U. S. Civil Service Board of Examiners at the post office or custom house in any city or from the U. S. Civil Service Commission, Washington, D. C.

"LA PALINA" CONTEST YIELDS OVER HALF A MILLION SLOGANS

THE final count of entries in the Slogan Contest sponsored by the Congress Cigar Company reveals that a surprising total of half a million slogans were submitted in the "La Palina" Contest. The first announcements of the contest were made in 372 evening papers on April 8th, and subsequent advertisements appearing in these newspapers explained the contest until its close on May 1st.

More than fifty prizes totaling $10,000 in cash were offered by the makers of "La Palina" cigars in this contest. First prize of $5000 will go to the originator of the best slogan, second prize of $1000 to the second best, and third prize of $500 to the third best. There are fifty other special prizes of $100 and $50. In the case of ties, the full amount of the prize will be given to each of the tying contestants.

The judges who are now selecting the prize-winning slogans are three of the most widely known publicists in the country—Mr. Bernard Lichtenberg, vice-president of the Alexander Hamilton Institute and former president of the Association of National Advertisers; Mr. Lowell Thomas, famous war correspondent, lecturer and *Literary Digest* radiocaster; and Mr. H. V. Kaltenborn, noted author and editor.

Although announcements of the "La Palina" contest were released only in the United States newspapers, entries were received from many foreign countries. Slogans came in from many towns in Canada, Newfoundland and Cuba. Entries were also received from many distant points such as Alaska, Hawaii, Nice, Brussels and Paris. Even an obscure little hamlet in far-off Jugo-Slavia is represented by a slogan in this contest.

Officials of the Congress Cigar Company believe this slogan contest to be the most effective advertising campaign they have ever had. Although it was not a condition of the contest that entrants buy or smoke "La Palina" cigars, a very high percentage voluntarily stated that they had done so, and a large number of the slogans received were accompanied by "La Palina" cigar bands as evidence of the sales power of the campaign.

Slogans that have been coined by women and children appear in large numbers in this contest. Perhaps one of the principal reasons for the popularity of the contest and its success as an advertising campaign was that the conditions were so simple and easy that everyone had an equal chance to win one of the prizes. Nearly everyone believes that he can write a good advertising slogan. The only other condition of the contest was that the entrant write a twenty-five word explanation, explaining why he thought his slogan to be a good one. The contestants were permitted to submit as many slogans as they wanted to, and the high mark was 350 slogans from one contestant.

Some of the entrants seized upon novel ways of submitting their slogans. Perhaps the best of these was the familiar cigar store Indian carved out of soap with his tomahawk in the left hand and the slogan in the right. The usual number of freak entries were received in the contest. One slogan was accompanied by four two-cent stamps for the use of the three judges and the contest editor, with the Lord's Prayer written in microscopic letters on the back. In submitting his slogan, a resident of Cottonwood Falls, Kansas, where the Rockne plane crashed, sent in a letter stating that several "La Palina" cigars were found in the wreckage of the ill-fated craft.

Many slogans were received from well-known advertising men and some of them went so far as to outline an entire advertising campaign based on their slogans. There was a great deal of humor in many of the slogans submitted. Some of it was intentional, and other slogans meant to be serious were ambiguous in their meaning.

Some of the many interesting people and places who were represented by slogans in the contest were the United States Senate, the Army, Navy and Marine Corps, seven different prisons, several mayors of cities, sheriffs of dozens of counties, the National Zoological Gardens at Washington, the fire chief of a leading city, one of America's foremost illustrators and sculptors, and a prominent baseball star.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

D. EMIL KLEIN BUYS FACTORY

THE D. Emil Klein Company, manufacturers of "Haddon Hall," "Emanelo," "Nottingham," etc., has purchased the factory building at the corner of Paterson and Schuyler Streets, New Brunswick, N. J., which they have occupied under a lease for the past several years. The factory was formerly occupied by Bayuk Cigars, Incorporated.

The D. Emil Klein Company has 200 workers in the building at the present time, and this number will be increased by the addition of fifty or seventy-five more workers as soon as alterations to the building is completed. Business on the brands of the D. Emil Klein Company has been showing a steady increase for many months, and "Haddon Hall" enjoys a splendid sale in this territory among the clubs, hotels and high-class retail stands.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

REAL BURNER:—45,887. For all tobacco products. May 12, 1931. E. Acquistapace, New Orleans, La.

CELITO LINDO:—45,888. For all tobacco products. April 20, 1931. Wm. Schwiebert, Chula Vista, Calif.

TINT'S CIRCLES AND TINT'S SQUARES:—45,892. For paper in use with pipes. May 16, 1931. Harry A. Tint, Philadelphia, Pa.

TRANSFERS

EL-REES-SO:—40,200 (T. M. A.). For chewing and smoking tobacco. Registered March 29, 1917, and **105,046** (U. S. Patent Office), for cigars. Registered July 6, 1915, by El-Rees-So Cigar Company, Greensboro, N. C. Transferred to El-Rees-So Company, and re-transferred to Webster Cigar Corp., Greensboro, N. C., March 27, 1931.

JAMES ROSS:—Originally registered by R. D. Oberholtzer, Bowmansville, Pa., and re-registered by transfer by Henry Heymann's Sons, Reading, Pa., **20,542** (Tobacco World). For cigars, cigarettes and tobacco. Through mesne transfers acquired by El-Rees-So Company, and re-transferred to Webster Cigar Corp., Greensboro, N. C., March 27, 1931.

HAVANA COUNTS:—15,256 (Tobacco World). For cigars and tobacco. Registered November 18, 1906, by Henry Heymann's Sons, Sinking Springs, Pa. Through mesne transfers acquired by El-Rees-So Company, and re-transferred to Webster Cigar Corp., Greensboro, N. C., March 27, 1931.

SMOKING GOOD FOR THE VOICE

The annual report of the Italian tobacco monopoly shows that it is one of the most prolific sources of revenue for the Italian State, amounting almost to four milliards of lire.

The price of all kinds of tobacco was raised last year about 20 per cent., which, if the sale had continued on the same scale as before, would have meant an additional income for the State of about 800 million lire. But, as was to be expected, the consumption of tobacco dropped considerably, and it was feared that there would be hardly any increase at all in the receipts.

Now, however, it was found that towards the end of the year a gradual improvement took place and the receipts will approximate about half the amount of the anticipated increase.

In connection with the tobacco question, some remarkable stories by famous men have come out, one of which is entirely new. It is the belief of the famous tragic actor, Tomasse Salvini, who said that he owed his voice to his persistent habit of smoking.

He was invited to a function in the Augustee, in Rome, when he was eighty years of age, and astonished the audience by singing an old song with a voice almost as powerful as in his best days. Count Martini, who was present, asked him to what he attributed the astonishing vigour and preservation of his voice. Salvini answered that it was to the strong Tuscan cigar which he had smoked all his life. "Even in Petersburg," he said, "on the coldest winter nights, when I used to return from the theatre, I invariably lit a strong cigar and smoked it on the way home. I felt that the cigar kept my throat warm and preserved me from colds."—*Irish Tobacco Trade Journal.*

PENNSYLVANIA CROP SELLING SLOW

THE Pennsylvania Federal-State Crop Reporting Service reports that Pennsylvania tobacco growers, who usually have their crop marketed by the middle of March, report that one-third of last year's crop was unsold by May 1. In some localities two-thirds of the crop is still in the farmer's hands and much is being packed. The price received by growers is the lowest reported since 1902, and both yield per acre and quality of the crop are the lowest on record.

Of that part of the 1930 crop disposed of, a smaller percentage than usual was sold by grade—only 70 per cent. Graded tobacco ran 67 per cent. wrappers, and the sales reported to date averaged 6.6 cents per pound, the wrappers bringing 8.7 cents and the fillers 2.1 cents. Run-of-field average 5.9 cents per pound. The average price received by both graded and field-run tobacco was only 6.4 cents in comparison with 13.0 cents paid for sales to December 1. By types, the price of binders would run 11 cents and fillers only 6.3 cents.

The Department of Commerce reports that exports of unmanufactured tobaccos from the United States during the first quarter of 1931 registered well over the first quarter average made during the previous six years, but 14 per cent. below the same period for 1930. Exports of manufactured products were considerably less during the first three months of 1931 than for the same period last year. The tobacco price situation is not pleasing to producers and exporters. Although the average price received per hundred pounds for all types of tobacco exported during the first quarter of 1931 figured $24, compared with returns of $22.27 for the same quarter in 1930, there has been a downward trend for some years. Overproduction of tobacco in the United States, together with the fierce competition which exporters of American tobacco are now meeting in world markets, are having an adverse effect upon tobacco prices in this country.

The total number of large cigars manufactured during the first three months of 1931 was 1,166,250,475, or 10 per cent. less than the quantity manufactured during the same period of 1930. Production of small cigarettes to April 1 this year totaled 28,006,162,570, a gain of only 0.6 per cent. over the first three months of last year.

Stocks of leaf tobacco in the hands of dealers and manufacturers in the United States on April 1, 1931, amounted to 2,150,778,000 pounds, compared with 1,965,246,000 pounds a year ago. Total stocks show an increase of 297,302,000 pounds during the first quarter of 1931, compared with an increase of 210,795,000 during the first quarter of 1930. The tendency toward overproduction and an apparently slackened rate of foreign and domestic consumption of tobacco products are reflected in the sharp increase in stocks of flue-cured and burley types.

April 1 stocks of American-grown cigar filler type tobacco, including Porto Rican, were approximately the same as a year previous. A decrease from 93,795,000 to 80,387,000 pounds in stocks of Pennsylvania Seedleaf is offset by the increase in other filler types. The increase is particularly noticeable in the Dutch of Ohio-Miami Valley, where April 1 stocks this year amounted to 16,665,000 pounds, compared with only 6,536,000 pounds a year ago. Stocks of cigar binder types are nearly four million pounds less than on April 1, 1930. Individual binder types show but little change except Southern Wisconsin, which shows a decrease. Stocks of New York and Pennsylvania Havana Seed increased from 2,811,000 pounds last year to 3,558,000 pounds April 1 this year.

VOLUME 51 No. 12

THE TOBACCO WORLD

LIBRARY RECEIVED JUN 15 1931 U.S. Department of Agriculture

POSTMASTER CIGAR
NOW IN 100s WOOD BOXES

This popular 2 for 5c cigar
Cellophane Wrapped
IT PAYS TO DISPLAY THEM

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

With Business At Its Present Level

How can any cigar manufacturer afford to waste a single opportunity to present his cigars under the most favorable conditions.

With Wooden Boxes the whole length, shape and color of the cigar is open for inspection and selection. And, furthermore, the cigar flavor and aroma is ripened to its fullest fragrance in these containers.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — THE TOBACCO WORLD — Number 12

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, JUNE 15, 1931 — Foreign $3.50

A. C. M. Convention Attracts Many Cigar Manufacturers

THE ANNUAL CONVENTION of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, a reorganization of the former National Cigar Leaf Tobacco Association, was held in New York City on June 1st and 2d with a gratifying number of cigar manufacturers in attendance.

The business session opened on Monday morning in the assembly hall of the Merchants' Association, in the Woolworth Building, with John H. Duys, president, presiding. Henry Fisher, president of the New York Leaf Tobacco Board of Trade, welcomed the visitors and assured them that every effort would be put forth to make their visit a pleasant one.

The reading of the minutes of the previous convention were dispensed with by unanimous consent, and the president proceeded with his annual address, which was followed by the report of the association's Washington representative, W. L. Crounse.

The financial report was then rendered by John A. Regan in the absence of Lee Samuels, secretary-treasurer, and disclosed a balance in the treasury of more than $8000.

Mr. Duys then appointed the following members of the Resolutions Committee: Milton H. Ranck, chairman; Joseph F. Cullman, Sr., Nathan I. Bijur, D. Emil Klein, Mortimer Grysmish and Major Newburg.

After some discussion on current advertising practices, Mr. Fallon, representative of the "Partagas" factory in Havana, was granted the floor to speak on behalf of the wholesale and retail price movement, and asked the association to co-operate in the movement to improve the merchandising and price situation. This action was referred to a special committee.

A motion was then offered and carried commending Joseph Cullman, Sr., for the valuable testimony he had given before the Commissioner of Customs in Washington, last February at the Sumatra hearing.

Tuesday's Session

When the meeting opened on Tuesday morning there was a considerably larger number of cigar manufacturers in attendance than at the previous day's session. A message was read from Joseph Mendelsohn, expressing his best wishes to the convention.

The following resolutions were then presented by the Resolutions Committee and adopted by the convention:

Sumatra Import Problem

RESOLVED, that the Associated Cigar Manufacturers and Leaf Tobacco Dealers, in annual convention assembled, hereby unqualifiedly endorses and approves the actions of the officers of this association, heretofore taken, with regard to the Sumatra import problem, and expresses the conviction, after mature deliberation, that the only practicable solution of this problem is the immediate elimination by the Dutch growing companies of all penal sanctions in their labor contracts.

A motion was made and carried that copies of this resolution be forwarded to the Dutch growing companies, the Dutch press and the Ambassador from Holland.

Honest Merchandising Legislation

WHEREAS, The so-called Capper-Kelly Honest Merchandising Bill made unprecedented progress during the Congress just ended but failed of enactment for lack of time and because its promoters were unwilling to risk the forcing of an extra session of Congress; and

WHEREAS, The entire business community is aroused to the importance of this movement to protect legitimate industry against predatory price cutting; and

WHEREAS, It is the opinion of many experienced business men that the enactment of a law permitting manufacturers of trade-marked or otherwise identified merchandise to fix the resale prices thereof would go a long way toward relieving the present widespread business depression; therefore be it

RESOLVED, That the Associated Cigar Manufacturers and Leaf Tobacco Dealers in annual convention assembled hereby pledges its membership to renew its activity in the interest of the Capper-Kelly Bill, both during the current recess of Congress and when the bill is again introduced, to the end that this beneficent legislation may be placed upon the statute books at the earliest possible date; and be it further

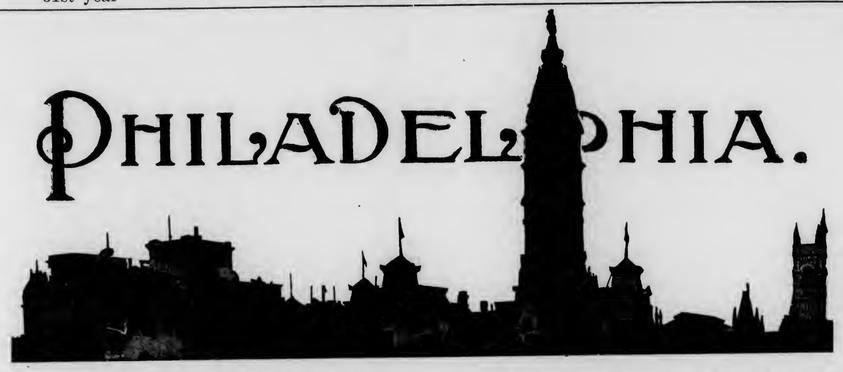
RESOLVED, That copies of these resolutions be forwarded to the chairman of the House Committee on Interstate and Foreign Commerce and the Senate Committee on Interstate Commerce.

Objectionable Advertising

WHEREAS, There has recently developed a tendency on the part of certain individuals, firms and corporations to employ advertising matter in news-

(Continued on Page 16)

PHILADELPHIA.



WAGNER REPORTS INCREASED BUSINESS

AT John Wagner & Sons headquarters, I. B. White, manager of the cigar department, reports an excellent increase in business during the past ten days, with "Pall Mall," the American Cigar Company brand, and their imported Havana brands showing particularly increased demand.

Mr. White and Ben Lumley, representing the Garcia & Vega factory and the Carl Upmann factory, have just returned from a trip through the eastern part of Pennsylvania and report many new placements made on these brands and 100 per cent. sales on their old placements in this territory. The "Eagle," the new five-cent size of the Carl Upmann factory, is meeting with a splendid reception from the retailers and consumers and a nice volume of repeat orders is being received on this new brand. The Garcia & Vega "Bouquet," and the Carl Upmann "27's," both ten-cent sizes, are selling exceptionally well.

John Wagner & Sons have recently experimented with a new method of packing their controlled brand "Monticello" by inserting cedar veneer sheets between each row of cigars in the box and without the transparent wrapping, with considerable success. Discriminating smokers have reported a distinct improvement in this method of packing in the flavor and aroma of the cigar, over those individually wrapped in transparent wrappings, and have requested that their orders be packed by the new method in the future.

ROYALIST ADDS ANOTHER SALESMAN

Grabosky Brothers, Incorporated, manufacturers of the "Royalist" cigar, report that business on their brand continues to show a steady increase and a fine volume of repeat orders are being received.

Leo Teicher has recently been added to the sales force and is at present covering Newark, Jersey City, and territory as far south as Trenton, in New Jersey, and has made many fine placements on this brand and turned in a good volume of orders.

GEORGE LEX HAS NARROW ESCAPE

On Sunday, May 31st, George M. Lex, an executive of the Congress Cigar Company, and Mrs. Lex had a miraculous escape from serious injury when their automobile was sideswiped by another car at Twentieth and Sansom Streets.

Had not Mr. Lex sensed the danger and swerved his car suddenly both he and Mrs. Lex would undoubtedly have suffered severe injuries. The driver of the other car was pursued and captured a few blocks away.

BAYUK POSTER BOOSTS FATHER'S DAY

CONSISTENT with their policy followed for many years, Bayuk Cigars, Inc., are boosting the sale of cigars for Father's Day this year by distributing a striking window poster to retailers throughout the country, containing the wording: "Father's Day—June 21—Remember Dad with a Box of Cigars!"

The poster is 12 by 42 inches in size and printed in attractive colors, gummed ready to attach to the inside of the window. As usual no Bayuk advertising appears on the poster anywhere, it simply being the voluntary contribution of this progressive cigar manufacturing concern to boost the sale of cigars for Father's Day.

A good steady volume of orders continues to roll into this progressive firm's headquarters at Ninth Street and Columbia Avenue for their "Havana Ribbon," "Bayuk Phillies," and other Bayuk brands.

HARTNETT A VISITOR

T. V. Hartnett, vice-president of the Brown & Williamson Tobacco Corporation, Louisville, Ky., was a recent visitor in town conferring with Homer Chandler at Philadelphia headquarters of the firm, 1321 Arch Street, in reference to the advertising campaign now under way on their "Sir Walter Raleigh" smoking tobacco, which is going over in a very successful manner.

Mr. Hartnett was accompanied by L. F. Spaugh, eastern sales manager for the corporation.

"Raleigh" cigarettes, also a product of the Brown & Williamson Tobacco Corporation, are forging well up toward the top among the leading sellers in this territory.

"OLD GOLD" SALES INCREASING

Mr. Fenton, of the Philadelphia office of P. Lorillard Company, reports an increase in the sales of "Old Gold" cigarettes in this territory during recent months, and also a splendid volume of sales on their "Rocky Ford" five-cent brand, and "Muriel" ten-cent size.

These brands are well displayed by dealers throughout this territory.

"ROSA AROMA" REPRESENTATIVE IN TOWN

George I. Watson, representing C. A. Nolan, of Sellersville, Pa., manufacturer of the "Rosa Aroma" cigar, was a visitor among the retailers here last week, and reported a nice business for his firm on this popular brand.

FEEL *the difference* • HEAR *the difference*

TASTE THE DIFFERENCE!

Like an oasis in the dusty desert of dried tobacco, the new Camel Humidor Pack brings you the joy of fine quality cigarettes in prime mild condition.

Now, wherever you go, you can always be sure of getting a *fresh,* throat-easy cigarette when you demand Camels.

It's easy to tell the difference. Your sense of touch detects it as you roll a cigarette between your fingers. Dry tobacco is stiff and crumbly. Camels are full bodied and pliant.

Even your ear can tell the difference. For a dried out cigarette crackles when you roll it.

But the real test is taste and taste is causing a great nation-wide switch of men and women alike to Camels in the scientific new Humidor Pack.

As you draw in that fragrant, mild, cool smoke, redolent with the luxury of fine Turkish and mellow Domestic leaves, only then do you realize the full importance of this new Humidor Pack.

For scorched or dried tobacco is brash and tasteless and its smoke is unkindly hot to the tongue and throat.

If you are a Camel smoker you have already noticed the improvement the new Humidor Pack makes in this your favorite cigarette.

If you don't smoke Camels, try them for just one day to see how much you're missing. After you've known the mildness and joy of a really *fresh* cigarette, switch back — if you can.

R. J. REYNOLDS TOBACCO COMPANY, *Winston-Salem, N. C.*

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

© 1931, R. J. Reynolds Tobacco Company

CAMELS

ELEVATED TO PRESIDENCY OF REYNOLDS CO.

S. Clay Williams, of Winston-Salem, N. C., has been elected president of R. J. Reynolds Tobacco Company, manufacturers of "Camel" cigarettes and "Prince Albert" smoking tobacco. He succeeds Bowman Gray, who was made chairman of the board.

S. Clay Williams

Mr. Williams has been connected with the R. J. Reynolds Tobacco Company since 1917. He is a graduate of Davidson College and also of the Law School of the University of Virginia. Following his graduation from the Law School, he took up the active practice of law in Greensboro, N. C., and after about ten years there he became associated with the law department of the R. J. Reynolds Tobacco Company. In 1921 he was made general counsel, and in 1924 was elected a director and vice-president. He is forty-six years of age.

"CREMO" SMOKERS WINNING AN AUTO A DAY

The American Cigar Company, manufacturers of the "Cremo" five-cent cigar, are awarding an automobile every day except Sunday to the person sending in the best twenty-word statement every day about the merits of "Cremo" cigars.

The contest and the winner is being announced each day over the radio during their program broadcast over the Columbia System.

The statement must contain twenty words, each word written on the back of a "Cremo" cigar band, or facsimile of a "Cremo" band.

Last week the first four winners were as follows: Donald A. Kahn, Los Angeles, Cal.; George M. Clement, Jamaica Plain, Mass.; M. B. Willey, Dallas, Texas, and P. F. Gibson, Orlando, Fla.

CHAIN STORE TAX MAY BE REHEARD

ACCORDING to advices from Washington, the recently rendered decision in the case of the Indiana Chain Store Tax, may come up for a rehearing in the United States Supreme Court.

The chain stores' interests have asked for such a step and the Court has agreed to entertain a petition for a rehearing and has extended for thirty days the time within which counsel for the chains may file their petition. A stay of the issuance of the Court's mandate sustaining the tax is granted in the meantime.

No further action can be taken on the case until the court reconvenes in October.

It is contended by the chain store interests that Justice Roberts in delivering the majority opinion, cited an error by the lower Court as one ground for the Supreme Court's decision, although the State of Indiana in appealing from the lower Court's ruling failed to specify the error alluded to by Justice Roberts. Counsel for the chain stores also contends that the Supreme Court went beyond the record to establish the facts upon which it based its decision.

R. J. SEIDENBERG PASSES AWAY

R. J. Seidenberg, Sr., head of the firm of R. J. Seidenberg Company, operators of a chain of cigar stands in Buffalo and other cities, died suddenly on May 27th while at the Buffalo Club engaged in a game of bridge.

Mr. Seidenberg was well known throughout the industry as a man of outstanding ability and keen judgment and the stands operated by his company were unusually successful.

Funeral services were held on Friday, May 29th, from the home of his daughter, Mrs. A. H. Finley, in Buffalo, with interment in Forest Lawn Cemetery.

Hundreds of his sorrowing friends from all parts of the country attended the last rites.

He is survived by his widow, one son, Randolph, J.; one daughter, Mrs. Abe H. Finley, and one sister,

He was sixty-four years old.

"WHITE OWL" NOW FIVE CENTS

Effective June 15th, the General Cigar Company has announced a reduction in the price of their "White Owl" brand which will place this brand in the five-cent retail division.

The wholesale price has been established at forty dollars a thousand, and it is thought this price will preclude any price cutting on this brand below the five-cent level.

Most of the so-called five-cent brands are being sold at six for a quarter, but the General Cigar Company believes it will be assisting the retailer by establishing the forty dollar wholesale price, and the retail price at five cents each.

SEASHORE HOME FOR RENT

An Atlantic City home with ten rooms and ocean view is offered for rent furnished. Immediate possession may be had with one week's notice to owner. The home has three bedrooms and a maid's room. Electrolux refrigerator and oil burner. Terms for period from July 1st until after Labor Day, $750. May be rented for a longer period if desired. Address Editor, TOBACCO WORLD, for further information.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Now! Please!—Actually put your finger on your Adam's Apple. Touch it—your Adam's Apple—Do you know you are actually touching your larynx?—This is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords. Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" Process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

©1931 The A.T. Co., Mfrs.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

"It's toasted"

Including the Use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

"BERING" LAUNCHES NEW TEN-CENT SIZES

CORRAL, WODISKA Y CA., Tampa manufacturers of "Bering" clear Havana cigars, have recently introduced two new ten-cent sizes of that brand to the market. "Bering" cigars have an excellent following among the smokers of high-grade clear Havana cigars, which is proven by the fact that business with this factory has been holding up in increasing volume throughout the "repression" which has been much in evidence throughout the industry.

The new ten-cent sizes are carried by Yahn & McDonnell, local distributors of the "Bering" brand for this territory, and they are a valuable addition to this line.

The two new sizes are known as the "Senator" and the "Ideal," one a blunt shape and the other a pointed shape, and since they are all long filler they are meeting with a ready call among smokers of high-grade cigars.

NEW TOBACCO COMPANY ORGANIZED

A charter was recently granted in the State of Delaware for the German-American Tobacco Company, Incorporated, to deal in tobacco and tobacco products of all kinds.

The new company was organized by Ery Kehaya, president of the Standard Commercial Tobacco Company, and his associates to manufacture the popular type of American cigarettes in Germany, and is capitalized at $10,000,000 of preferred stock and 3,000,000 shares of no par common stock.

It is anticipated that the German-American Tobacco Company will take over the Werkhof cigarette factory at Bremen, which is owned by the Standard Commercial Tobacco Company, as the first step in its operation.

In commenting on his future plans, Mr. Kehaya stated: "We believe that there are great opportunities for business expansion along conservative lines in Germany. At present Germany consumes cigarettes made of Oriental tobacco almost exclusively. A somewhat similar situation existed in the United States years ago, but today the consumption here is almost entirely of the blended type of cigarette."

The stockholders of the Standard Commercial Tobacco Company recently ratified the policy of Ery Kehaya in operating a cigarette factory in Germany, overriding an objecting minority of the stockholders of the company.

NEW SIZE "MANUEL" CIGAR ANNOUNCED

The Mazer-Cressman Cigar Company, Detroit, has announced that a new size of their popular "Manuel" cigar will soon be placed on the market to retail at ten cents. The new size will be known as the "Aristocrat" and will be of a handsomely tapered shape which will have a strong appeal to those smokers who believe that the panatela shape is a little too thin and that the perfecto shape is a little too fat. The "Manuel" cigar is an all Havana filled cigar with a Sumatra wrapper and has a splendid following throughout the east and middle west.

GARY TOBACCO EXECUTIVE TO VISIT TURKEY

Mr. L. P. Liles, of the Gary Tobacco Company, a Liggett & Myers subsidiary, sailed on the SS. Saturnia, June 5th, for the Gary Tobacco Company's Samsoun Branch. Mr. Liles is a Liggett & Myers buyer of Turkish leaf.

SHARE OF PROFITS IN LIEU OF SALARY FOR NEW GILLETTE PRESIDENT

STOCKHOLDERS of the Gillette Safety Razor Company voted on Wednesday in favor of a profit-sharing contract with the company's new president, Gerard P. Lambert, instead of paying him a salary.

Issuance of 60,000 additional common shares, of which 50,000 may eventually go to Lambert, was authorized.

If the net profit in any year should reach or exceed $5 on the common stock, Lambert will receive 20,000 shares in payment.

At the present market value of the common stock this would be worth $460,000. If in the same year, or any other year, the earnings reach $6 on the common, Lambert would receive 20,000 additional shares.

METROPOLITAN TO JOB "CINCO"

The Metropolitan Tobacco Company, one of New York City's largest distributors of cigars and tobacco products, has been appointed distributor of "Cinco" cigars for the metropolitan area of New York City.

The "Cinco" brand has been gaining in popularity throughout the New York City territory for several months, and Webster Eisenlohr, Incorporated, are to be congratulated in securing the services of the great sales force of the Metropolitan Tobacco Company to further increase the sales on this brand, and they have already succeeded in obtaining a tremendous number of new top-of-the-case displays on this popular five-cent brand.

DEMUTH & COMPANY HOLD OUTING

The Mutual Welfare Association, which is made up of employees of William Demuth & Company, New York, pipe manufacturers, held their annual outing at Bear Mountain on Saturday, June 13th.

The steamer "Clermont" was chartered for the trip, leaving Battery Park, Pier A, at nine o'clock A. M.

Music, dancing and refreshments were provided on the boat both on the trip up to Bear Mountain and also on the return trip, and a most enjoyable time was had by all the guests.

All trade and personal acquaintances of members of the organization were invited to join in the trip.

VINCENT RIGGIO RETURNS FROM TRIP

Vincent Riggio, vice-president and sales director of the American Tobacco Company, returned this week from a two-weeks' trip to various parts of the country where he conferred with the district sales managers in Albany, Cleveland, St. Louis and Atlanta on plans for increasing the sales of his company's products. Mr. Riggio was accompanied on his trip by J. K. Fletcher, his assistant.

L. & M. OFFICIALS ON INSPECTION TRIP

Mr. G. W. Whitaker, Liggett & Myers vice-president in charge of sales, and Mr. D. F. Green, left New York June 7th for a ten-days' inspection trip. They will visit Washington, D. C., and the principal cities in Virginia, Maryland and West Virginia.

WEBSTER EISENLOHR OMITS DIVIDEND

The board of directors of Webster Eisenlohr, Incorporated, on Wednesday voted to omit the quarterly dividend of $1.75 on the preferred stock due July 1st.

"I've stood watch with the Keeper of the Light

©1931, LIGGETT & MYERS TOBACCO CO.

Yet you'll find me wherever 'the boys' get together"

Up in this bird's nest of a turret, or breasting the tides of a crowded city street, one welcomes the company of a good cigarette. And a good cigarette means good tobaccos. What smokers taste in Chesterfield is the aroma of riper, milder, better tobaccos, blended and cross-blended to bring out their finest flavor and fragrance.

FOR NINETEEN years, our Research Department has kept intimate touch with every new development of Science that could be applied to the manufacture of cigarettes. During this period there has been no development of tested value or importance to the smoker which we have not incorporated into the making of Chesterfield cigarettes.

Liggett & Myers Tobacco Co.

They're MILD—and yet they SATISFY!

PACIFIC COAST TOBACCO MAN IN NEW YORK

R. F. FOOTE, well known in tobacco circles as the Liggett & Myers Pacific Coast auditor, with headquarters at 615 Fourth Street, San Francisco, is in New York for a few days. He is spending considerable time at the Liggett & Myers office at 212 Fifth Avenue.

Auditing the "Chesterfield" cigarette business of the West Coast is no doubt a pleasant undertaking, what with the brand being reported as the largest seller all the way from the 54' 40" border to Tia Juana.

Native sons and daughters from beyond the Continental Divide have their favorite brand manufactured for them right out there on the sun-kissed premises. The entire Pacific region business is in charge of R. D. Friselle, a Liggett & Myers director.

NEW SIZE "HAV-A-TAMPA" FOR A. & H.

The A. & H. Trading Corporation, 1018 Filbert Street, are now showing a new size of the popular "Hav-A-Tampa" cigar which is being welcomed by the retailers in Philadelphia.

The new size is front-marked "Jewels" and retails at five cents each. The Jewels are packed twenty in a wooden box covered with a gilt paper and printed in black, which makes a very attractive package, and coupled with the fact that the Jewel size has the wooden mouthpiece, formerly placed only on the two-for-a-quarter size of this brand, this package is meeting with a good demand.

The patented wooden tip obviates the necessity of the smoker using a cigar holder and also insures the perfect drawing qualities of every cigar.

Max Newman, factory representative for this territory, reports all sizes of the "Hav-A-Tampa" are having a heavy call wherever they have been placed.

OTTO SCHNEIDER JOINS "BERING"

Otto Schneider, a former vice-president of the American Cigar Company, has joined the force of Corral, Wodiska y Ca., Tampa manufacturers of the well-known "Bering" brand, and has been appointed eastern sales representative for that factory, covering all territory east of the Mississippi River.

Mr. Schneider has been associated with the promotion of clear Havana brands for a number of years, so that he will not feel at all out of place in his new endeavor.

Mr. Schneider has a wide acquaintance among the wholesalers throughout the country, and it would not be surprising to see a substantial increase in the sales of "Bering" cigars under his able guidance.

LIGGETT & MYERS EARNINGS AHEAD

The Wall Street Journal states that net earnings of Liggett & Myers, since the beginning of the current year, have been in excess of those for the same period of 1930.

Nothing on the matter has come from official quarters, and interests acquainted with the affairs of the company are unwilling to make any estimate at present.

U. S. TOBACCO COMPANY DIVIDEND

Regular quarterly dividends of $1.10 a share on the common stock, and $1.50 a share on the preferred stock, have been declared by directors of the United States Tobacco Company, payable July 1st to stockholders of record June 15th.

BELINDA FACTORY ACQUIRES HOYO BRAND

OFFICIAL announcement was made last week of the completion of negotiations between Fernandez Palicio & Company and Torres Gener Hermanos, whereby Fernandez Palicio & Company will manufacture the "Hoyo de Monterrey" and the "La Escepcion" in the future along with their own brands, "Belinda" and "Punch," all of which are well known brands among the cigar importers in this country.

While the consolidation will be known as Fernandez Palicio & Company in the future, the members of the firm of Torres Gener Hermanos will become associated with former company.

PORTO RICAN TOBACCO PRICES CLIMB

The entire economic picture in Porto Rico has brightened materially as the result of pronounced upward movement in the prices being brought by Porto Rican tobacco in the early sales. A radiogram from the San Juan Office of the Bureau of Commerce and Industry, dated June 5th, reports limited sales at twenty-six cents a pound, with the majority of growers holding off the market in expectation of better prices and of a favorable outcome of the conferences of officials of the Federal Farm Board and Mr. John Fresse, General Manager of the Co-operative Association of Porto Rican Tobacco Growers. Early offers by buyers were reported at around eighteen cents, and correspondence from Porto Rico, arriving during the week, told of some sales at twenty-two and twenty-four cents. Mr. Fresse stated that last year's crop was disposed of at an average price of about twenty-nine cents a pound.

"EL TRELLES" FACTORY BUSY

Reports from New Orleans are to the effect that business is booming at the "El Trelles" factory, which is running steadily at near capacity of 100,000 cigars a day.

The "El Trelles" is a cigar made of the finest tobaccos and enjoys a large sale in the Southwest.

Manuel and Leo Trelles are constantly on the road in that section of the country visiting the jobbers and retailers, and keep a steady volume of orders pouring into headquarters in New Orleans for all sizes of "El Trelles," from the five-cent size up to the fifteen-cent size.

A. & C. BRAND GAINING IN SALES

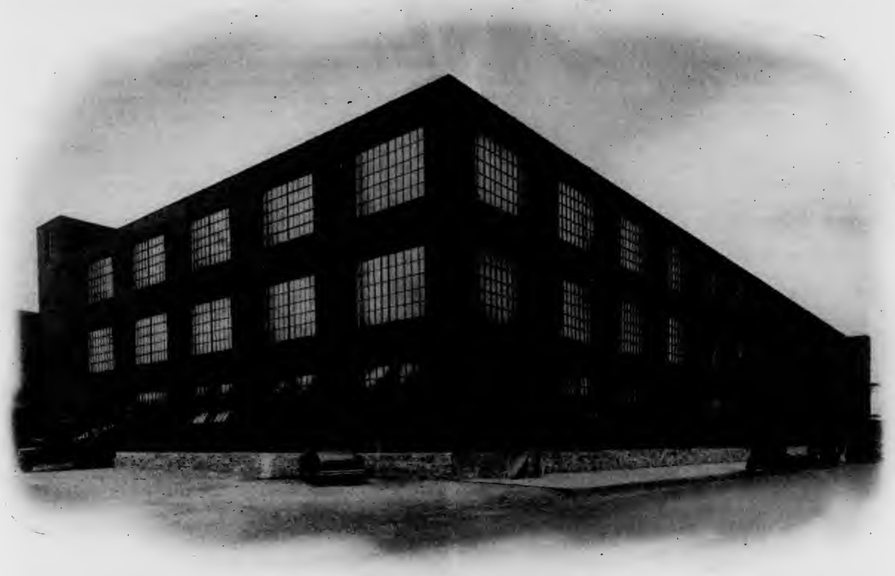
Yahn & McDonnell, distributors of the "Antonio y Cleopatra" brand in Philadelphia and surrounding territory, report a steady increase in sales of this brand since the advent of the recent sales campaign which is in progress here under the able supervision of Frank Llano, American Cigar Company representative. Many attractive window displays have recently made their appearance, featuring "Antonio y Cleopatra."

"DRY SLITZ" NOW TWO FOR FIVE

Effective June 1st, the Standard Cigar Company, of Pittsburgh, announces that the price of "Dry Slitz" stogies and "Dry Slitz Majors" have been reduced.

The "Dry Slitz" stogies formerly retailing at three for ten cents are now two for five cents, and the "Dry Slitz Majors" formerly five cents each are now three for ten, which should help materially to increase the sale of these two popular sizes.

The New Philadelphia Unit of Autokraft Box Corporation



Porter & Swanson Streets, Philadelphia, Pa.

Built to better serve their customers.

Directed by efficient executives to help solve their customers' problems.

Equipped to produce the highest quality of wooden cigar boxes.

Modern mechanical operations, assuring the customers of the utmost in manufacturing economy.

An organization trained to meet unusual demands for prompt Service.

A capacity of 250,000 wooden cigar boxes a week.

These are some of the features of AUTOKRAFT BOX CORPORATION'S contribution to improved Service to the cigar manufacturing industry, and to Philadelphia's prosperity.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

"LISTERINE" CIGARETTES ON THE AIR

BEGINNING June 10th "Listerine" cigarettes are being featured in the regular "Listerine" hour of the Lambert Pharmacal Company broadcast over the radio.

As the public generally knows, this is the hour that features Bobby Jones' talk, and is on the air each Wednesday evening at 8 P. M., Eastern Daylight Saving Time; 6 P. M. Central Standard Time, and 9:45 P. M. Pacific Coast Time, over the N. B. C. Red Network.

The "Listerine" cigarette is treated with the same essential oils as contained in the "Listerine" solution, and has been gaining friends steadily among smokers who like a cool, full-bodied cigarette.

The "Listerine" cigarette is manufactured by the Christian Peper Tobacco Company, First and Morgan Streets, St. Louis, Mo., by special arrangement with the Lambert Pharmacal Company, and all orders and inquiries should be addressed to them.

Yahn & McDonnell are distributors for the "Listerine" cigarette in Philadelphia territory, and report a steady increase in the volume of sales here.

STATE CIGAR COMPANY IN DIFFICULTIES

The State Cigar Company, operated by Clarence Frey, of Red Lion, Pa., has been granted a petition in voluntary bankruptcy by the United States Court at Scranton, Pa.

The decree was granted by Judge Albert W. Johnson, on a petition presented in behalf of the bankrupt by his attorney, James J. Logan. The decree declares Frey bankrupt individually, and trading as the State Cigar Company.

Assets are listed at $10,238.08 and liabilities at $19,496.60. The assets include a plot of ground improved by a double dwelling and cigar factory in Red Lion. Included in the liabilities are $15,896.60 in unsecured claims.

RUSSIA TO INCREASE TOBACCO ACREAGE

According to recent reports from Russia, it would be necessary to increase the area under tobacco in Russia by 136 per cent. in order to supply the local demand for tobacco and to permit of the normal export. This would mean a total tobacco area of 229,000 hectares (565,000 acres) and would involve the opening up of new areas where tobacco is not now grown.

Recently tests have shown the soil and climate in certain parts of the Ukraine to be most suitable and at the next sowing it is planned to put 10,000 hectares (24,700 acres) in yellow tobacco.

Continued experiments will be made and increasing areas shown in tobacco in an effort to make Russia self supporting in this respect. (American Consul, Lloyd D. Yates, reporting from Hamburg, Germany.)

SWEDISH MATCH DIVIDEND

At the ordinary general meeting of shareholders of the Swedish Match Company, held in Stockholm on May 30, the board's proposal was approved that a dividend of 10 per cent., absorbing 27,000,000 kroner, which, with the previously paid interim dividend of 5 per cent., equals 15 per cent. on the shares capital, be paid to shareholders.

The board also received authorization to pay to shareholders during the latter half of the year an interim dividend for 1931 of 5 per cent. on the share capital.

50 "CHESTERFIELDS" FOR A BIRDIE

THE LIGGETT & MYERS Tobacco Company, which has been conducting a sampling drive on their "Chesterfield" cigarettes, have launched a campaign to get their cigarettes into the hands of well-to-do smokers.

The company announces it will present a tin of "Chesterfields" to any golfer making a birdie; the limit being one tin to any one golfer over a regulation eighteen-hole course.

Distribution is simplified by providing the professional at each course with a supply of "Chesterfields," and, to get his cigarettes, the golfer simply signs his card and presents it to the pro, who hands over the tin. Company salesmen later exchange a tin of "Chesterfields" for each score card.

There are about five thousand private golf courses in the country at the present time, and these are all included in the offer. The offer, however, does not apply to fee courses.

UNITED STORES RETIRES STOCK

Stockholders of United Cigar Stores Company of America at annual meeting approved retirement of 7990 shares of preferred stock. During 1930 the company purchased preferred stock to the par value of $2,064,300. This stock was purchased much below par. In addition, the company purchased $1,348,500 of Cigar Realty Holding, Incorporated, bonds and $1,900,000 of Whalen Drug Store bonds. The bonds have all been retired.

Regarding the prospects of the company, A. C. Allen, vice-president, said: "Prospects of the company in normal times are most excellent. We have decreased our capital liabilities, and in the real estate and merchandising fields we have cut expenses to what is believed to be rock bottom. I feel that the company under the Frederick K. Morrow management will again occupy a leading position in the commercial field in the United States." Cigarette sales now amount to from 40 to 50 per cent. of total sales volume, Mr. Allen said. Retiring directors were re-elected.

PRICE REDUCED ON "44" INVINCIBLES

The Consolidated Cigar Corporation announced last week a reduction in the price of the "44" invincible cigar from $48 a thousand to $38.50 a thousand, less the usual jobbing discounts and establishing the retail selling price at five cents each instead of six cents as formerly.

This reduction brings this brand down to pre-war price levels and is expected to materially increase the demand for this popular cigar.

DULA ESTATE HAS NOT SOLD L. & M. STOCK

An official statement issued last week said the estate of C. C. Dula, former chairman of the board of Liggett & Myers Tobacco Company, has not sold any of its holdings of Liggett & Myers Tobacco Company stock.

Reports have been circulated that selling by Mr. Dula's estate was responsible for weakness in the stock.

ROOMS FOR RENT AT ATLANTIC CITY

One or two furnished rooms for rent with private family at Atlantic City. Two porches and ocean view. $20 each per week for summer season. Special rate for longer term if desired. Address Editor, TOBACCO WORLD.

CALIFORNIA PASSES RESALE PRICE BILL

THANKS to the militant co-operation of the California Retail Druggists Association and the California Retail Grocers & Merchants Association, the legislature of that State has passed and the Governor's signature has put upon the statute books the Capper-Kelly Fair Trade Bill, in the language of the pending measure in Congress. It has been successfully guided through the legislature without change, and as a State law will be a model for all State legislatures.

The American Fair Trade Association secured the passage, in New Jersey, ten years ago, of what is known as the Unfair Competition Act and it has been invoked successfully to curb price-cutting in that State.

In congratulating California upon its legislative good sense in enacting the Capper-Kelly Bill, we should also re-extend our congratulations to the able jurists of the State of Washington, who did not wait for legislative action, but refused, in the so-called Fisher Flouring Mills case, to follow the United States Supreme Court in holding that resale price contracts were illegal under the common law.

The California Capper-Kelly Fair Trade Act will certainly have a profound effect not only upon all State legislatures but upon members of the National Congress. It is an expression of the deliberate judgment of one of the most enlightened as well as most progressive States in the Union. The legislature refused to be influenced by attempts of chain store advocates to make wholly impractical distinctions between "predatory" and other kinds of injurious price-cutting.

That legislative sentiment throughout the country is keenly alive to such specious special pleading is evidenced by the refusal of the legislature of Texas recently even to let out of committee a bill prohibiting "predatory" price-cutting as distinguished from other injurious price-cutting. The passage of the California Act and contemporaneous defeat of the Texas Bill are evidence that public sentiment is aroused and informed and not to be misled by selfish legal "red herrings."

Practically, the California Capper-Kelly Fair Trade Act will be an absolutely effective curb on misuse of trade-mark good will as bargain bait in the state of California, regardless of the State of origin of the goods, provided only that the sale and transfer of title of the goods from vendor to vendee shall be a transaction completed within the State of California.

SUMATRA GROWERS ARRIVE FOR CONFERENCES

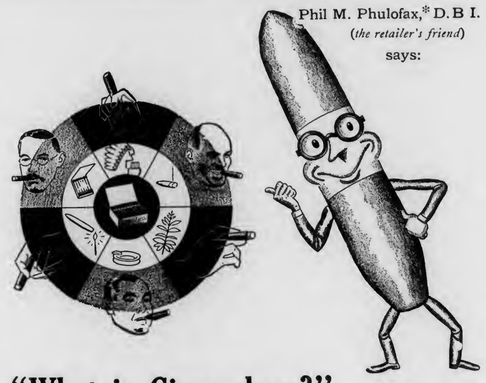
Several representatives of the Dutch tobacco growing interests arrived in New York last week on board the "Olympic" and will proceed to Washington where conferences will be held with officials there in reference to changes in the labor contracts under which Sumatra and Java tobaccos are now being grown in the Dutch East Indies, in order not to conflict with the proposed embargo of materials produced by forced or indentured labor.

Those who arrived last week were Messrs. Bool, Ruppert and Enthoven, who are the secretary of the Deli Planters Association, director of the Deli Batavia Company and representative of the Deli Maatschappij interests respectively.

CONGRESS CIGAR DIVIDEND

A quarterly dividend of $1 has been declared by directors of the Congress Cigar Company, payable June 30th to stockholders of record June 15th.

Phil M. Phulofax,* D.B.I.
(the retailer's friend)
says:



"What is Cigar-ology?"

© B. C., Inc., 1931 Reg. U. S. Pat. Off.

Shades of the ancient oracles, prophets, soothsayers and fortune tellers! We've all heard of getting a line on one's character by astrology, phrenology, "palmology" and other kinds of ology, but who ever heard of "Cigar-ology"? Anyhow, it's got the whole country worked up into a frenzy of interest.

What started it? Well, I guess I had something to do with it. In my travels I happened to notice the many little mannerisms of men who smoke . . . the different ways in which they hold a cigar. "It must have something to do with their character and temperament," thinks I; "wouldn't it be a good idea to make some sort of a treatise on the subject—something that would stir up additional public interest in cigar smoking?"

The idea took root—and "Cigar-ology" was the result. How to get the smoking public steamed up over it, was the next question. The Bayuk people were planning a huge radio-advertising program for 1931. I put the suggestion before them. "Splendid!" said they, "we'll work it into our Sunday evening broadcasts."

Golly, I had no idea the smoking population'd grow nutty about it! Requests for "Cigar-ology" are coming in by the thousands! Cigar retailers everywhere are being asked about it! I see folks in street cars, hotel lobbies, ball parks, golf clubs and where not, pulling out their "Cigar-ology" and studying the "cigar-angle" of smokers around them. . . . And I know for a fact that it's making folks more eager to smoke cigars—than ever before.

How can you and your customers get "Cigar-ology"? There's only one way: (1) Listen in on the "Bayuk Stag Party" broadcasts, Sunday evenings, 9.15, over WJZ and associated N. B. C. stations. (2) Do the little thing the announcer tells you to do. So, chip in—get everybody you know to tune in on the Bayuk programs and help me get "Cigar-ology" scattered around your neighborhood.

Phil M. Phulofax* D.B.I.

** Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

BAYUK BRANDS BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR BAYUK HAVANA RIBBON
BAYUK MAPACUBA PRINCE HAMLET CHARLES THOMSON

TOBACCO LEGISLATION SURVEY

THAT has been a veritable legislative epidemic is now happily going through its last and final stages. Those who have watched the legislative developments will, we are sure, realize what a critical period our industry has been going through, since January 1st last, and the intensity of the combats forced upon it by the legislative onslaughts in so many States.

With new tobacco tax measures introduced in twenty-nine States and increases in existing taxes in seven other States, covering almost our country's entire area, besides a number of advertising and other hostile measures, all of which required simultaneous and instantaneous attention, it is hardly necessary to picture the size or intensity of the job.

The situation in the present campaign has been particularly aggravated by the existing depression, and by the activities of tax revision commissions in thirty-three States, who, without exception, seem to have their eyes set on general sales taxes (with "selective" or "luxury taxes" as an alternative) as a panacea for all tax ills.

However, the demand for additional revenue to meet the depression has been countered, and we hope successfully so, with a slogan "More Taxes, More Depression" demonstrating that depression is no time to place additional tax burdens upon the buying public and surely not upon the laborer who is tramping the sidewalks all day long looking for a job with his smoke or chew perhaps the only thing that keeps up his spirit.

It may be added that most of the legislative sessions this year have been unduly prolonged by reason of their difficulties in solving their tax problems. In most of these cases tobacco tax or so-called luxury tax measures have been held in reserve to be taken up for "rapid transit" action at the last moment, with the obvious idea that the opposing forces would either be found "napping" or too fatigued to put up any vigorous resistance.

All told, our industry has been faced with:

(A) New tax projects in twenty-nine States, of which twenty-two have thus far been successfully disposed of, one (Texas) has been lost, while six are still pending.

(B) Measures increasing the existing cigarette taxes or extending same to cigars and tobacco in seven States, of which two increases were passed (Arkansas and Georgia), one is still pending, while the others have been successfully disposed of.

(C) Advertising bills in seven States, all of which have been successfully disposed of.

(D) License and other miscellaneous measures in a number of States, all of which have been successfully disposed of.

It will be of particular interest to the cigar trade to know that out of thirty-six States in which tobacco tax measures have been introduced, cigar taxes have been included in twenty-two States—none passes. Also that the cigar tax in Arkansas has been repealed—but was unfortunately vetoed by the Governor.—*Tobacco Merchants Association of the United States.*

SULLIVAN VISITS NEW YORK

John A. Sullivan, an executive of Charles A. Krull, Incorporated, Arch Street distributor of tobacco products and druggist sundries, was a visitor in New York City last week.

CONNIE MACK, JR., ON BAYUK PROGRAM

SPECIAL efforts to bring Father's Day to the attention of the public and to stress cigars as the proper gift for the occasion are being made by Bayuk Cigars, Incorporated, through radio and other publicity. Father's Day falls this year on Sunday, June 21, and in anticipation of it Bayuk arranged a special Bayuk stag party for the previous Sunday evening, when Connie Mack, Jr., son of the famous manager of the Athletics, broadcast a talk on "My Dad." The program went on the air from WJZ and associated stations at 9:15 E. D. T.

In its efforts to attract as widespread attention as possible in advance of Father's Day to that event, Bayuk looked about to secure as its guest the son of some man particularly prominent in the public eye. In the person of the younger Connie Mack—whose right and proper name is Cornelius McGillicuddy, Jr.—an unusual attraction was found. For although Connie Junior is still in his teens, a student in Germantown Academy near Philadelphia, he has already begun to show signs of athletic prowess. In addition to representing his school at his father's particular game of baseball, he has likewise won honors in both football and basket ball.

In his radio remarks Connie Junior naturally had much to say about his father that was of interest to every one. He not only told something of the personal side of the relationship but also talked of what the senior Mack has taught him in the way of "playing the game" in athletics. The importance of courage, good sportsmanship, and the other essentials that make for success on the athletic field all had a part in what Connie Junior said.

By means of this program Father's Day was forcibly brought by Bayuk to the attention of thousands of radio enthusiasts who not only found young Mack's talk of exceptional interest but also revelled in the striking musical program given by Nat Brusiloff and his orchestra and by the Stanley Quartet.

Raymond Knight, known to millions as the creator and guiding genius of the famous "Cuckoo" hour, was guest artist of the Bayuk stag party Sunday night, June 7th.

As proprietor of the National Broadcasting Company's mythical radio station KUKU, Knight, masquerading under the name of Professor Ambrose J. Weems, has become radio's most celebrated clown. His program burlesques other radio hours. These travesties are a riot of good-natured fun that have made millions laugh.

Knight was one of the charter members of the famous "47 workshop" of Prof. George Pierce Baker at Harvard, which proved to be the training ground of some of America's most successful dramatists. Shortly after graduation, Knight won the drama league's national playwriting contest for the best one-act play. The title of the prize-winning opus was "Strings," which has been produced on the stage and on the air. This whimsical romantic comedy has attracted wide attention. The characters are portrayed as marionettes acting out a play within a play.

Knight's unfailing sense of humor made him one of the merriest entertainers of the Bayuk stag party series, which features as guest artist each week noted men and women in many fields of endeavor. Broadcasting of this unusual program is over WJZ and associated stations at 9:15 Eastern Daylight Time.

"DIPLOMAT" CIGARETTE, CREATED BY BATT BROTHERS

BATT BROTHERS, 117-119 East Twenty-fourth Street, New York City, importers and manufacturers of monogrammed and specially designed novelty cigarettes, announce their latest cigarette creation known as "Diplomats" Egyptian cigarettes.

"Diplomats" are made of the finest selected imported Egyptian tobaccos, skillfully blended—rarely mild—exquisitely fragrant and aromatic, and are affixed with cork tips. The extraordinary large ultra size of "Diplomat" combined with an unusual and satisfying blend of tobaccos is expected to create an immediate demand and appeal especially to fastidious and discriminating smokers.

"Diplomats" are wrapped in tin foil and packed in special convenient vest-pocket boxes of 5s retailing at 25 cents per package, and also in decorative cedar wood 50s affixed with a specially designed glass cover lid for counter display. The retailer can sell "Diplomat" singly at 5 cents each or $2.50 per box of 50s. This number should prove attractive both to the jobber and retailer primarily because of the fine margin of profit and quick sales turnover.

Batt Brothers also feature twenty-eight other popular fast-selling novelty and staple numbers and inasmuch as several territories are still open for progressive, wide-awake jobbers and retailers, Batt Brothers respectfully invite and solicit inquiries, and upon request will be pleased to furnish detailed information appertaining to sales representation.

Batt Brothers are continually forging ahead in the cigarette industry and have become one of the leading and outstanding manufacturers of novelty and monogrammed cigarettes, particularly because of their initiative in continually creating novelty cigarettes of exceptional quality for the purveyor and consumer, and their keen foresight for originality and distinctiveness.

ROOSEVELT ASKS AID FOR PORTO RICO GROWERS

The Governor of the island of Porto Rico, Theodore Roosevelt, called on the Farm Board at Washington last week to enlist the aid of the board in stabilizing the tobacco industry in Porto Rico.

The newly formed Tobacco Growers Co-operative Association of Porto Rico seeks a loan of between $2,000,000 and $3,000,000 to finance holding about 30,000,000 pounds of tobacco from the market until prices improve.

Chairman Stone of the board would give no definite answer, but asked for more information on the island co-operative, pending the arrival of the president of the association, who was expected to arrive with more data and continue the negotiations.

TAMPA PRODUCTION SHOWS INCREASE

Production of cigars in Tampa for the month of May showed a gratifying increase over the production of the previous month.

Production for May, 1931, was 41,526,958, as compared with 38,576,945 for April, and 41,481,213 for the month of May, 1930.

Production by classes was as follows: Class A, 16,050,320; Class B, 585,620; Class C, 18,684,240; Class D, 6,139,547, and Class E, 67,231.

SILVER CUP AWARD FOR BEST PACKAGE

A SILVER CUP, to be known as the Irwin D. Wolf trophy, will be awarded by the American Management Association for the best package developed and put on the market during 1931, according to an announcement made by W. J. Donald, managing director of the association, at a luncheon given Thursday, May 21st, in connection with the Packaging Conference, Clinic and Exposition, held last week at the Hotel Pennsylvania, New York City, following a three-day session. Mr. Wolf, who was general chairman of the conference and clinic, is secretary of the Kaufman Department Stores, Incorporated, and vice-president in charge of the Consumer Marketing Division of the A. M. A.

"The cup will be given for that package which is most satisfying to the eye, and most appropriate for the purpose for which it was constructed," said Mr. Donald. "The rules governing the selection of the package, the judges, and those eligible to receive the award will be announced later."

Another packaging conference, clinic and exposition, larger and more complete, is under consideration for next year, Mr. Donald indicated. As an added feature, the art of packaging and shipping may be shown in next year's exhibits, and discussed at the clinic, he said.

More than two thousand representatives of industries throughout the country visited the Conference Clinic and Exposition just closed, according to final registration figures.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

A. C. M. CONVENTION

(*Continued from Page 3*)

papers and magazines, on billboards and the radio and in other forms, embracing statements which are untrue, unwarranted and injurious to legitimate competitors and highly offensive to the public, such advertising frequently being accompanied by illustrations which are suggestive of indecent; therefore be it

RESOLVED, That the Associated Cigar Manufacturers and Leaf Tobacco Dealers severely condemns the use of such advertising as unethical, destructive and indecent; that the untrue, unwarranted and injurious statements constitute unfair methods of competition such as are denounced by the act creating the Federal Trade Commission; and be it further

RESOLVED, That copies of these resolutions be forwarded to the headquarters of the leading trade organizations of the United States, including the leading Chambers of Commerce and Boards of Trade and to the Federal Trade Commission.

Stabilization of Prices

WHEREAS, Certain retail cigar interests are seeking to organize a general trade committee to work for the stabilization of prices and have called on this association for co-operation; therefore be it

RESOLVED, That the president of this association be authorized to appoint two cigar manufacturers and two leaf tobacco dealers to serve on the committee referred to.

This committee, as named by Mr. Duys, consists of himself and Harry S. Rothschild, representing the leaf tobacco industry; and D. Emil Klein and Paul Christian, of the cigar manufacturing branch of the industry.

Proposed Increases in First Class Letter Postage

WHEREAS, All business is dependent upon the lowest possible postage rate on first-class mail which now produces a profit of over $75,000,000 annually, while other classes make little or no profit, and second-class mail shows a deficit of more than $94,000,000; therefore be it

RESOLVED, That the Associated Cigar Manufacturers and Leaf Tobacco Dealers in annual convention assembled hereby earnestly urges upon the Congress of the United States the undesirability of any increase in the rate on first-class letter postage, believing that the higher rate would operate to the detriment of all business and should be avoided especially at a time when the entire business community is striving against a world-wide era of depression; and be it further

RESOLVED, That copies of this resolution be forwarded to the House and Senate Committees on Post Offices and Post Roads.

The Prohibition Problem

WHEREAS, A rapidly increasing public sentiment is now demanding the repeal of the National Prohibition Law as well as the repeal or comprehensive modification of the Eighteenth Amendment; and

WHEREAS, This Association on several occasions has drawn attention to the abuses which have grown up under the Federal prohibition law and which constitutes a greater menace to the welfare of the people than conditions existing before the enactment of the Eighteenth Amendment, to wit, "abuses which include the corruption of a large part of the personnel of the Federal and State prohibition enforcement and police services, many of whom have been convicted of serious crimes for which they have been sentenced to serve penitentiary terms; the killing by enforcement officers of a large number of citizens many of whom have been entirely innocent of any wrongdoing; the creation of a law-breaking industry known as bootlegging which has developed a criminal aristocracy of great wealth unscrupulously employed in the prosecution and defense of all forms of crime including murder; the manufacture, distribution and consumption of enormous quantities of spurious and frequently poisonous substitutes for alcoholic beverages; the consumption of strong alcoholic liquors by boys and girls in every stratum of society; an enormous increase in drunkenness in cities, towns and villages throughout the country and in the multifarious crimes directly traceable to drunkenness; the tendency to disregard not only the prohibition law but other laws on the part of a large number of previously law-abiding citizens;" therefore be it

RESOLVED, By the Associated Cigar and Leaf Tobacco Dealers that we deem it a patriotic public duty to call attention to the deplorable conditions now prevailing and to urge Congress to take the necessary steps to relegate the enforcement of prohibition to the several states so that each commonwealth may determine this important question according to the dictates and wisdom and conscience of its own people, thereby preventing the Federal Government from restricting the personal liberty of the people by statute in opposition to the desire of many millions of people sought to be governed thereby; and be it further

RESOLVED, That copies of these resolutions be transmitted to the President of the United States and to the chairman of the Judiciary Committee of the United States Senate and the House of Representatives.

Resolutions were also adopted expressing the appreciation of the association to the trade press and various individuals and organizations for their co-operation throughout the year.

A letter was read from Daniel F. McCarthy, of H. Fendrich, Inc., pointing out the practice of giving extra discounts to chain stores, etc., and it was decided to advise Mr. McCarthy that the association was appreciative of the importance of the problem discussed in his letter, and motion was made and carried that the letter be referred to the special committee appointed to act on price stabilization.

The constitution and by-laws of the old National Cigar Leaf Tobacco Association was read and adopted by the Associated Cigar Manuacturers and Leaf Tobacco Dealers, with the addition of a clause authorizing associate memberships at a minimum fee of ten dollars a year.

The following officers and directors were elected: John H. Duys, president; Milton Ranck, first vice-president; D. Emil Klein, second vice-president, and Lee Samuels, secretary-treasurer.

Directors are: Nathan I. Bijur, of E. Rosenwald & Brother; Harry Bobrow, Bobrow Brothers, Incorporated; T. E. Brooks, T. E. Brooks & Company; Joseph F. Cullman, Sr., Cullman Brothers, Incorporated; Sam T. Gilbert, Deisel-Wemmer-Gilbert Corporation; B. G. Meyer, General Cigar Company; Paul Christian, Consolidated Cigar Corporation; Percival R. Lowe, Percival R. Lowe, Incorporated; Daniel F. McCarthy, H. Fendrich, Incorporated; Jacob Mazer, Mazer-Cressman Cigar Company, Incorporated; S. Major Newburgh, Louis Newburgh Company; Harvey Hirst, Bayuk Cigars, Incorporated; Mortimer Regensburg, E. Regensburg & Sons; Harry S. Rothschild, Rothschild-Samuels-Duignan, Incorporated; George W. Spitzner, C. H. Spitzner & Son, and Harry Buckley, Autokraft Box Corporation.

The following were named to act on various committees:

Legislative Committee: Nathan I. Bijur, Fred Davis and Milton Durlach, New York; Cyrus Good, Lancaster; Lloyd Bekkedal, Westby; Ben Schwartz, Philadelphia; Harry Lewis, Newark, and Mortimer C. Gryzmish, Boston.

Finance Committee: Jacob A. Voice, Howard S. Cullman, Luis Toro, Morton Morris and Harry Blum, New York.

Committee on Arbitration: Samuel H. Bijur, Fred Davis, Menko Rose, and D. H. Haynes, New York; Richard E. Traiser, Boston, and G. W. Van Slyke, Albany.

Membership Committee: Arthur Bornholdt, Julius Klorfein, Stephen G. Friend and E. A. Kline, New York, and Nathan Elson, Chicago.

Credentials Committee: Albert Kaffenburgh, Boston; Albert Worch, Minneapolis; Peter N. Jacobsen, Davenport, and Herbert Taylor, Lancaster.

Committee on Complaints: Al Mendelsohn, New York; William E. Waterman, Newark; Joseph W. Epply, Manchester, and William J. Lukaswitz, Dayton.

Manufacturers Committee: William E. Best and Joseph F. Cullman, Jr., New York; Antonio Santaella and D. H. Woodbery, Tampa; Horace B. Coulter, Jacksonville; Howard W. Yocum, Reading, and Louis Sensenbrenner, Los Angeles.

The convention decided that the next convention would be held in New York City, during the second week in June, instead of during the first week in June as formerly.

The Banquet

The annual banquet of the association was held on Tuesday evening at the Hotel Roosevelt, with more than two hundred guests prominent in various branches of the tobacco industry present.

The guest of honor was Senator Royal S. Copeland, who delivered a speech in which he scored roundly the unethical advertising of some members of the industry. His remarks were received with enthusiastic applause from his audience.

Following the banquet the guests were treated to a program of entertainment by prominent stars in the theatrical profession.

Among those present were I. Adler, Julius Annis, R. R. Appleby, F. A. Bach, Joseph B. Back, August Baer, J. Baker, George M. Beyea, Nathan I. Bijur, Samuel H. Bijur, Harry Blum, Julius Blum, Charles Bobrow, Harry Bobrow, Charles A. Bond, M. Berkowitz, Arthur Bornholdt, J. Bowman, T. C. Breen, Murray W. Brill, H. W. Buckley, George M. Burkhardt, Richard H. Bythiner, B. D. Blaney and W. J. Bucholtz.

Louis Cahn, J. A. Campbell, Harry Catlin, G. J. Kauffman, Paul Christian, R. D. Cohen, Edward C. Conlin, Senator Royal S. Copeland, C. M. Covert, William L. Crounse, Howard S. Cullman, Joseph F. Cullman, Sr., Herman Cohen, Edward H. Davis, Guy de Haven, R. L. Dimm, Eugene R. Dreyer, H. J. DuBrul, Charles W. Duignan, Milton I. Durlach, John H. Duys, J. J. Durr, Fred Davis, Morris Edelman and Nathan Elson.

Frank Fallon, Henry Fisher, Harry Fishman, George Flatauer, Marco Fleishman, Phil M. Forristall, William Friedberger, S. Friedlander, Howard Friend, Stephen G. Friend, E. I. Froelich, J. G. Froelich, Sidney Furgatch, A. W. Gehman, Maurice L. Gershel, S. F. Goldstandt, Fred B. Griffin, Mortimer C. Gryzmish, A. H. Gregg, R. Graham, F. Greenhut, Phil Hammerslough, D. H. Haynes, James J. Head, Stephen Herz, Paul Hirschhorn, H. R. Hitchcock and Thomas A. Horton.

Jack Jacoby, Harley W. Jefferson, D. Krause, Carl J. Kaffenburgh, D. Emil Klein, E. A. Kline, G. Koogler, I. A. Kramer, K. Kulle, M. Kutinsky, T. Lea, F. Lederer, B. Lemlein, Morris J. Levi, J. Levin, Harry Lewis, J. B. Lichtenstein, Phil Lottman, Percival R. Lowe, Jr., Percival R. Lowe, Sr., William H. Markland, Jack Marqusee, L. Marshall, Jacob Mazer, William Mazer, Charles L. Meister, Al Mendelsohn and W. H. Meyer.

Morton C. Miller, W. A. Muhl, C. G. Myers, Joe Madden, A. McGraw, R. Melson, S. Major Newburgh, Henry Oppenheimer, Leslie Pantin, Jr., P. A. Pappenheimer, M. Patterson, James J. Phelan, Phil Polumbaum, James M. Porter, Willem Quanjer, Milton H. Ranck, Barney Rapaport, John A. Regan, Isaac Regensburg, Melville E. Regensburg, Mortimer Regensburg, H. Rheinstrom, A. Reichert, Menko Rose, Jr., Menko Rose, Sr., and W. D. Rosenberg.

Harry S. Rothschild, Stephen G. Ruth, Walter J. Ruthenburg, Adrian H. Ryder, John J. Rogers, L. Rost, Lee Samuels, Milton Samuels, Robert P. Schambach, George F. Schnath, Louis Schramm, Leon Schwab, Ben Schwartz, Alfredo Selgas, Armando Selgas, William Sharpe, A. Shorin, Phil Shorin, Fred Singer, William Singer, Bradford P. Smith, C. W. Smith, George W. Spitzner, A. J. Stein, M. E. Stern and B. Stranders.

Ira Strous, R. R. Thompson, Luis Toro, Richard E. Traiser, Max Trebow, H. Ungar, A. L. Vanderbilt, George W. Van Slyke, Henry A. Voice, I. G. Wagner, Philip M. Wasserman, William E. Waterman, Herbert Weil, L. A. Wheeler, Ed Wile, W. H. Winstead, Maurice Winter, H. P. Wurman and George Zifferblatt.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATION

UNEMPLOYMENT SPECIAL:—45,898. For cigars. May 26, 1931. Benjamin Carlson, Brooklyn, N. Y.

TRANSFERS

BROOKDALE:—45,861 (T. M. A.). For cigars. Registered February 4, 1931, by D. Emil Klein Co., Inc., New York, N. Y. Transferred to Packer Brothers, New York, N. Y., May 20, 1931.

HEALTH AND HAPPINESS:—13,518 (Trade-Mark Record). For cigars. Registered June 12, 1894, by George Schlegel, New York, N. Y. Transferred to El Moro Cigar Co., Greensboro, N. C., May 27, 1931.

PI ETA:—23,892 (Trade-Mark Record). For cigars. Registered February 4, 1901, by J. W. Strieder Co., Boston, Mass. Through mesne transfers acquired by Pi-eta Cigar Co., Manchester, N. H., and re-transferred to John P. Breynaert, Manchester, N. H., November 6, 1930.

HAPPY HEINE:—32,004 (Trade-Mark Record). For cigars and cigarettes. Registered May 4, 1906, and **40,108** (T. M. A.). Registered January 1, 1917, by F. M. Howell & Co., Elmira, N. Y. Transferred to J. F. Peeler, and re-transferred to E. Snyder & Son, Hampstead, Md., May 8, 1931.

AMERADA:—45,718 (T. M. A.). For cigars. Registered May 9, 1930, by Amerada Cigar Co., Passaic, N. J. Transferred to Consolidated Litho. Corp., Brooklyn, N. Y., May 18, 1931.

AMORADA:—26,258 (U. S. Tobacco Journal). For cigars. Registered December 4, 1902, by Schmidt & Co., New York, N. Y. Transferred to Amerada Cigar Co., and re-transferred to Consolidated Litho. Corp., Brooklyn, N.Y.

ROSA RICA:—22,069 (Trade-Mark Record). For cigars. Registered January 12, 1900, by Chas. Stutz, New York, N. Y. Transferred to Armio Cigar Co., Inc., New York, N. Y., May 20, 1931.

LA ABILIDAD:—19,033 (Trade-Mark Record). For cigars. Registered April 19, 1898, by F. Heppenheimer & Sons, New York, N. Y. Through mesne transfers acquired by Golden State Box Factory, and re-transferred to La Abilidad Cigar Co., Ltd., Los Angeles, Calif.

LADY NEWPORT:—32,475 (Trade-Mark Record). For cigars. Registered December 8, 1906, by Petre Schmidt & Bergmann, Philadelphia, Pa. Transferred to Imhoff & Co., and re-transferred to Keller Cigar Co., Springfield, Mass., May 1, 1931.

CONSOLIDATED CIGAR EARNINGS GAIN

In the first five months of 1931 the Consolidated Cigar Company's earnings exceeded by fourteen cents a share the earnings for the corresponding period of 1930, Julius Lichtenstein, president of the company, announced last week.

Mr. Lichtenstein added that since the first five months of the year are generally the poorest months in the cigar industry, he was confident that dividend payments would be continued throughout 1931.

"7-20-4" ENJOYING GOOD DEMAND

In spite of the current and much-talked-of business depression, some cigar factories continue to enjoy good business, and the "7-20-4" factory, R. G. Sullivan, Manchester, N. H., is one of them. This plant is operating on a full-time schedule of six days a week, and it is said the management is considering operating a night shift also, in order to keep up with the demand for their brand.

TOBACCO MAGAZINE ADVERTISING INCREASING.

THE RADIO broadcast advertising of the tobacco industry continued to show huge gains over 1930. In April, 1931, the industry spent $432,382 in this form of advertising, a gain of 141 per cent. over the $180,167 spent in radio advertising in April of 1930, according to the business survey department of Dorrance, Sullivan & Company, Incorporated, New York advertising agents. In March of this year the radio advertising expenditure recorded a gain of 140 per cent. over March, 1930, and for the first four months of 1931 the gain amounted to 118 per cent. over the same period of 1930.

In May issues of national magazines the tobacco industry spent a total of $478,500, of which $393,086 was for the promotion of cigarettes; $14,125 was for cigars and $71,289 was for manufactured tobacco and smokers' supplies. This total for May, 1931, compares with $545,552 in May of 1930, a decline of $67,052 or 12.3 per cent. In national farm magazines the expenditure in May of this year amounted to $31,950 compared to $24,650 in May of last year, a gain of 29.6 per cent.

The totals for the industry in all these media amounted to $944,832, a gain of $194,463 over the May, 1930, total of $750,369, which gain amounted to 25.9 per cent.

For the year to date the tobacco industry has spent $4,082,645 advertising its products in national magazines, farm magazines and radio broadcasting, compared to a total for the similar period of 1930 of $3,090,577, a gain of $992,068 or 32.1 per cent.

BRITISH ASSOCIATION FORMED

Owing to the rapidly spreading practice of "price-cutting" in the tobacco trade throughout Great Britain, an association styled the Tobacco Trade Association has been formed by the representatives of all the principal interests in the tobacco trade. The object of the association is to protect and promote the tobacco trade in the United Kingdom, and, in particular, to take such steps as are necessary and desirable for the purpose of securing adherence to the prices and conditions of sale relating to tobacco products. (George Southworth, Office of Commercial Attache.)

SOVIET CAPTURES TURKISH TOBACCO TRADE

A recent dispatch from Istanbul states that Russian tobacco is driving the Turkish product out of the German market, the official newspaper, *Milliett,* says, because the Soviets are "dumping" their output at a price 30 to 40 per cent. under Turkey's.

It is a vital blow at Turkish trade, the newspaper says, for tobacco represents one-third of Turkey's entire annual exports, and the future is particularly gloomy inasmuch as Russia has announced her intention of doubling tobacco production next year.

GEORGE W. HELME COMPANY DIVIDEND

Directors of the George W. Helme Company, snuff manufacturers, have declared the regular quarterly dividend of $1.25 on the common stock of the company, payable July 1st to stockholders of record June 10th.

AMERICAN CIGAR OMITS PREFERRED

Last week the board of directors of the American Cigar Company omitted the regular quarterly dividend of $1.50 due on the preferred stock at this time.

JULY 1, 1931

VOLUME 51 No. 13

THE TOBACCO WORLD

LIBRARY RECEIVED JUL 3 1931 Department of Agriculture

286.89 T158

The New Philadelphia Unit of Autokraft Box Corporation

Built to better serve their customers.

Directed by efficient executives to help solve their customers' problems.

Equipped to produce the highest quality of wooden cigar boxes.

Modern mechanical operations, assuring the customers of the utmost in manufacturing economy.

An organization trained to meet unusual demands for prompt Service.

A capacity of 250,000 wooden cigar boxes a week.

These are some of the features of AUTOKRAFT BOX CORPORATION'S contribution to improved Service to the cigar manufacturing industry, and to Philadelphia's prosperity.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

This Particular Message

Is addressed to cigar manufacturers who are seeking to increase the sale of their cigars in Nineteen-thirty-one.

There is no better way to attract smokers than by keeping your cigars fully in view, for approval and comparison.

Wooden Boxes increase the saleability of cigars by showing the sales points (size, shape and color) at a glance, at the same time preserving the natural freshness and fragrance that nature gave to the tobacco leaf.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 13

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, JULY 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

AFTER making tests with more than fifty smokers, including some cigar manufacturers, the evidence accumulates to substantiate our own opinion that the transparent wrapper definitely changes the smoking qualities of a cigar sufficiently to establish a difference between the same cigar in its natural wrapper, and in almost every case the cigar in its natural wrapper has been selected as having superior smoking qualities.

The cigars were smoked at the same time and the smoker did not know until he had made his selection which cigar had been packed in the transparent covering. As all of those who made the test were smokers of good cigars we hold their opinion of some value.

Even the cigar manufacturers themselves admit that the lucid wrapper is of no benefit to the smoking or tasting qualities of a cigar.

It is true that one prominent manufacturer argues that smokers generally think cigars are not as good as they used to be due to the poorer qualities of tobacco now being grown, rather than being due to the use of the transparent covering.

If this is true why accentuate the faults of poor tobacco by putting it in a non-porous wrapper and reducing to a minimum the opportunity for the natural chemical reaction which would ordinarily take place with the cigars in their natural wrappers?

And to make matters worse some manufacturers are not satisfied with blocking nature's methods of removing detrimental factors from cigars through a natural aging process, but are introducing their cigars in containers which have no affinity for tobacco. If such substitutes were actually favorable to cigars they would have established their superiority years ago. The fact of the matter is that they would not have dared to attempt it on a large scale if it were not for the non-porous wrapper now in use.

The cigar manufacturers are absolutely right in that the smoker demands the transparent covering on his cigars, and it must be increasingly painful to try and find methods of absorbing this added overhead in the face of declining withdrawals and shrinking profits.

The cigar manufacturers are rather helpless. The whole industry has become involved in this needless expense and no one is willing to risk the prestige of his brands by discarding this dazzling wrapper which seemed to have hypnotized the consumer.

The more level-headed manufacturers think that it is a fad that will eventually die out, but only after a period of years. It might be observed that during this dying process the cigar industry itself doesn't appear to be any too healthy to stand the strain of a long and severe illness.

Of course something may be accomplished by education. The cigar manufacturers themselves might begin by taking the same size and brand, packed with and without the transparent wrapper, and after three or four weeks of aging in containers made in part or in whole of Spanish cedar, make a test with their own cigars. It goes without saying that in making such a test the cigars should be unidentified so far as the smokers are concerned.

As we have said before, if the transparent wrapper is such a red hot sales factor, where are the sales? And right along the same line is the radio broadcasting programs which will run into seven sizable figures for the whole industry. It may work out for one or more individual manufacturers, but if the Internal Revenue figures of cigar withdrawals are prepared by a personnel competent in arithmetic the industry as a whole is in no position to announce that radio has performed any miracles yet.

However, some of the expense might be salvaged if some of the time on the air was devoted to gently but firmly directing the attention of the smoker to the possibility of having a more enjoyable smoke if he would try his favorite brand in its old-fashioned natural way again; that is in its natural wrapper in a porous wood container to which has been added the pleasant fragrance of Spanish cedar, the wood from which all cigar boxes were originally made.

Since we first raised the question of the merits and demerits of the transparent wrapper, we have had a volume of correspondence on the subject, but almost without exception no one will permit their name used for publication. Our personal interviews which have been many, have all started with the statement, "Now understand I am not to be quoted in THE TOBACCO WORLD."

Here's a story about a jobber in the West. He was one of the first to introduce a couple of brands in the lucid wrapper. Their sales almost doubled. Finally he reached a point where all brands that he carries are in the transparent covering. And he is now wringing his hands and asking his manufacturers,

Continued on Page 15.

PHILADELPHIA.

ANTONIO y CLEOPATRA DISPLAY WINS FAVORABLE COMMENT

SOL FISHER, of the Fisher Display Service, Chicago, Ill., in an article written for "Advertising Displays" states that the present window display being used for "Antonio y Cleopatra" cigars is one out of only four window displays designed in 1930 which deserved to be selected as pacemaker of the new, modern trend. This display shows the use of progressive methods in displaying merchandise.

The "Antonio y Cleopatra" display is electrically lighted from a shadow box in the center and many of these have been installed recently in Philadelphia windows under the direction of Frank Llano, of the American Cigar Company, who has been in town for some weeks directing a sales campaign which has shown highly gratifying results.

Yahn & McDonnell are local distributors for this brand and report a marked increase in demand for this brand. "Antonio y Cleopatra" cigars are made of all Havana leaf, and the beautiful workmanship makes this brand most attractive.

PALEYS QUIT CONNECTIONS WITH CONGRESS CIGAR COMPANY

Samuel Paley and Jacob Paley announced on Monday that they had retired from the management of the Congress Cigar Company, having tendered their resignations as officers and directors. Samuel Paley was president and a director and Jacob Paley was a vice-president, treasurer and director.

The company is controlled by the Porto Rican-American Tobacco Company, and it is expected that interests identified with that company will fill the offices made vacant by the resignations of Samuel Paley and Jacob Paley.

"ROYALIST" INCREASING SALES

At the factory of Grabosky Brothers, 21 North Second Street, manufacturers of the "Royalist," they report sales showing a nice, healthy increase and repeat orders coming in in good volume. Sales in the newly opened New Jersey territory are contributing their share to the increase.

E. A. KLINE A VISITOR

E. A. Kline, manufacturer of the "Medalist" cigar, was a visitor in town last week, conferring with distributors of his brand here, and is quite optimistic over prospects for increasing business on his brand this year.

BAYUK CIGARS SHOW INCREASE OVER 1930

AT Bayuk headquarters, Ninth Street and Columbia Avenue, we received the encouraging news that there is a much more optimistic feeling among the trade as to business for the balance of the year, and, in fact, sales of Bayuk, "It's Ripe Tobacco" cigars for June, 1931, show an increase over the same month of 1930.

It has often been said that "Imitation is the sincerest flattery," and Bayuk Cigars, Inc., are experiencing this type of flattery in some parts of the country. Cigars which are not Bayuk products are being sold by unscrupulous persons as being products of the Bayuk factory, and, in consequence, Bayuk headquarters have deemed it advisable to issue window posters to the trade warning them, and the consumer, to look for the well-known Bayuk name and other marks of identification before purchasing cigars from unknown salesmen, so as to be sure they are obtaining the genuine Bayuk, "It's Ripe Tobacco" cigars.

F. B. Mueller, Indiana territorial manager for Bayuk, is back on the job after a lay-off due to a minor operation, and is hitting a fast stride on Bayuk products in his territory.

Joe Simms is building up increased distribution volume for Bayuk products in the Kansas City territory, where he has been recently assigned as territorial manager.

The "Havana Ribbon" Perfecto Extra size, which was recently reduced in price to $40 a thousand, is meeting with a demand beyond best expectations and the factory is kept hustling to cope with the volume of orders for this size.

E. C. MacAllister, better known as "Mac," who is Bayuk's territorial manager in Newark and Northern New Jersey, smiled his way into headquarters on Friday, and is keeping things going in his territory and is very optimistic as to business for the remainder of the year. "Mac" has that wonderful gift of always having a smile on his face, and is one of the best-liked salesmen in his territory.

O. P. Schlafer, of the Schlafer Hardware Company, Appleton, Wis., took the opportunity while in Philadelphia last week to visit the Bayuk factory and was pleasantly surprised with the modern and sanitary methods employed in producing the Bayuk "It's Ripe Tobacco" cigars.

O. M. Carmichael, of Carmichael Brothers Company, West Palm Beach, Fla., Bayuk distributors in that district, was also a visitor at Ninth and Columbia

(*Continued on page 15*)

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Now! Please!—Actually put your finger on your Adam's Apple. Touch it—your Adam's Apple—Do you know you are actually touching your larynx?—This is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords. Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" Process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

©1931 The A.T.Co., Mfrs.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

"It's toasted"

Including the Use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

CIGARETTE PRICES BOOSTED

THE long-awaited movement on the part of cigarette manufacturers in an effort to establish a fifteen-cent retail price for the popular brands of cigarettes, materialized last week, when the "Big Four" telegraphed their distributors on June 24th, that effective on that date the wholesale list price of cigarettes would be $6.85 a thousand.

The announcement was the signal for a bullish demonstration in tobacco stocks that recalled the stock market days of 1928 and 1929. Not only were the tobacco manufacturing securities favorably influenced, but securities of leading retail organizations moved up correspondingly, although no announcement was made of a change in retail quotations.

American Tobacco B was up 11⅜ and the common advanced 10¼. Liggett & Myers B was up 7 and the common gained 5⅜. Lorillard stock closed 4⅝ higher, and Reynolds B closed 3⅜ higher. In the case of the first three companies, preferred shares also were substantially higher, notably in the case of Lorillard where the gain was more than nine points.

In the case of the retail tobacco shares, Schulte gained approximately 33 per cent. in market value, closing 3¾ higher. United Cigar Stores closed 1⅜ higher.

The price advance by the manufacturers was the second advance in two years. On October 5, 1929, the companies announced an increase of 30 to 40 cents a thousand to a price of $6.40 a thousand for their popular brands. the price of $6 and $6.10 had been in effect since 1922.

Wall Street's statisticians made rapid calculations as to how much money, in round figures, the price advance would mean in profits to the companies. The average of calculations was an additional revenue of $45,000,000 to $50,000,000 a year. Total production of cigarettes in the United States in 1930 was about 120,000,000,000, of which the four companies concerned in the price advance produced about 95 per cent.

So far in 1931 an increase has been reported in cigarette consumption. American Tobacco Company, which advanced prices on six of its popular brands, including "Lucky Strikes," reported cigarette sales last year of more than 45,500,000,000. It was estimated that in the case of this one company increased earnings of $4 annually might be shown. Increase of earnings for the present year was placed at $9,000,000, providing sales are maintained.

In the case of Reynolds, it was estimated additional income of $14,600,000 a year would be obtained, or 73 cents a share on the combined common and B shares. Lorillard's increased earnings were estimated on the basis of the increased price as high as $2 a share.

Two interpretations were placed on the price advance in tobacco circles. The first was a move on the part of the manufacturers to aid retailers by creating a level of wholesale prices which would result in a retail price of fifteen cents a package. The second explanation advanced was that Reynolds Tobacco Company desired to widen the margin of earnings over dividend requirements. Reynolds in 1930 earned $3.42 a common share and paid out $3 in dividends.

Conferences of executives of retail tobacco chains and drug and grocery chains distributing large quantities of cigarettes were held during the day. No announcement was obtainable, however, as to possible price action. It was pointed out that the new price of $6.85 a 1000, and allowing for discounts and rebates, retailers at 13 cents a package would only obtain 7.7 per cent. gross profit a package.

WINS "LA PALINA" PRIZE

THOMAS BARRETT has been awarded first prize of $5000 by the judges—Lowell Thomas, Harold V. Kaltenborn and Bernard Lichtenberg—in the "La Palina" Slogan Contest. Barrett, former managing editor of the *Morning Telegraph* and assistant city editor of the *Brooklyn Times*, is now engaged in special publicity work. Mr. Barrett is the father of six children—three boys and three girls—and any day expects to be a grandfather. Louise Barrett, now Mrs. Edward Ewing of Detroit, former

THOMAS BARRETT

star of "Remote Control," and other Broadway successes, is Barrett's daughter. For the past sixteen years Barrett has lived in Brooklyn and at one time was a reporter on the *Brooklyn Daily Eagle*. When Mr. Barrett was asked what he planned to do with the money, he said "My six children have already given me 5000 suggestions as to how to spend the $5000. I have no immediate plans except to go on with my work and use the money to give my family some of the luxuries they have been waiting for. It's a grand experience to get $5000 that you didn't expect and I'm very, very happy!"

AUTOKRAFT ENTERTAINS FRED MAUDSLEY

Mr. Fred Maudsley, vice-president of the Consolidated Lithographing Corporation, was the guest of the Autokraft Box Corporation at the banquet given by the Associated Cigar Manufacturers and Leaf Tobacco Dealers at the Hotel Roosevelt, New York City, on June 2d.

The Great Atlantic & Pacific grocery chain announced that the organization will not increase cigarette prices to consumers this week, as they have sufficient stock for a week's requirements. However, the company will eventually be obliged to increase the price, the announcement made plain.

Unofficial reports were that the leading chains and cut rate stores were considering a retail price of two packages for 27 cents.

Some jobbers increased their carton price on cigarettes immediately to $1.23 and others to $1.26, while some continued to sell at the old figure while their old stock held out.

Smoke a FRESH cigarette

Millions of men and women are now discovering a brand new enjoyment since Camels adopted the new Humidor Pack.

The mildness and the flavor of fine tobacco vanish when scorching or evaporation steals the natural moisture out of a cigarette.

Now, thanks to the new Humidor Pack, Camels, wherever you find them, are always *fresh* and in perfect mild condition.

Factory-fresh Camels are air-sealed in the new Sanitary Package, which keeps the dust and germs out, and keeps the flavor in.

No harsh, dried tobacco to burn the throat. No peppery dust to sting delicate membrane — just the cool mild aroma of fine tobacco, properly conditioned.

If you haven't smoked a Camel recently, switch over for just one day, then quit them—if you can.

R. J. REYNOLDS TOBACCO CO., *Winston-Salem, N. C.*

© 1931, R. J. Reynolds Tobacco Company

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton—this cigarette will remain fresh in your home and office*

CAMELS

NO CIGARETTY AFTER-TASTE

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

RECOMMENDATIONS that no resale price legislation be enacted at this time will be made by the Federal Trade Commission in its voluminous report on price maintenance now being prepared for Congress.

In the report, the commission expresses the belief that it would be difficult to provide Government regulation on price maintenance that would bring relief to makers of trade-marked goods without injustice to consumers and at the same time meet the tests of practical administration.

A significant feature of the report is the disclosure that of 691 manufacturers furnishing information, 61 per cent. expressed no preference as to legalizing resale price maintenance, while 10 per cent. of this number, representing 4 per cent. of the total volume of business, opposed it. Less than 29 per cent. of the total number favored price maintenance, and the commission's investigation showed that the average rate of earnings on investment was larger by these companies than by those opposed to legislation.

The present findings are greatly at variance with those who originally reported to Congress by the commission in 1929, when 69 per cent. of the 849 manufacturers questioned expressed a desire for resale price maintenance. Numerous manufacturers, it was found, favor price maintenance in the abstract but not for their own products.

Wholesalers almost unanimously favor resale price maintenance, which attitude, the commission declares, may be influenced by another situation brought out in the report, namely, a decline in wholesaling and the growth of chains and cooperative buying. Among retailers, it was found that drug, grocery, jewelry, stationery and hardware stores in general favored price maintenance, while chain, department and dry goods stores generally were opposed to it.

"The alignment of distributors for and against resale price maintenance is, to a very large extent," the commission declares in its report, "that of the conservative merchant who would do business in the customary way, against the newer, less conservative, often large-scale distributing unit, that frequently owes its success to innovations in merchandising methods, often involving price competitions."

The current resale price maintenance controversy is described as an outgrowth of two factors, manufacturers' trade-marking and advertising identifying the source of goods through to the consumer, and various forms of price competition to which the term "price cutting" is indiscriminately applied.

"Leader price cutting" in reselling identified or branded goods produced by particular manufacturers, is an important cause of resale price maintenance agitation, according to many who returned answers to the commission's questionnaires. They believe extensive price cutting by retailers on well-known goods to attract customers impairs manufacturers' sales because competing retailers dislike to handle these articles on which reduced prices, caused by such practices, involve substantial reductions in margins of profit, or even losses.

Selling at prices below purchase price is rarely reported by dealers but instances of selling below the purchase price plus average cost of doing business were reported more frequently.

Recalling that the law now prohibits manufacturers from contracting with those who buy their goods to maintain resale prices named by the manufacturer, the commission notes a demand in some quarters for laws legalizing price contracts when subject to Governmental approval as to fairness of prices.

"Practically, however," it was declared, "it would be too difficult to determine, or even estimate closely, true operating cost figures for a particular commodity for numerous dealers to make them the basis of any regulation of such contracts requiring application by an administrative authority in a manner which would give customers the benefits of efficient merchandising."

The alternative of specific Government proceedings is equally impracticable, and a rule that the essential test would be sales below purchase price with a number of practical merchandising exceptions, would give little satisfaction to manufacturers complaining of price cutting because of the infrequency of such sales.

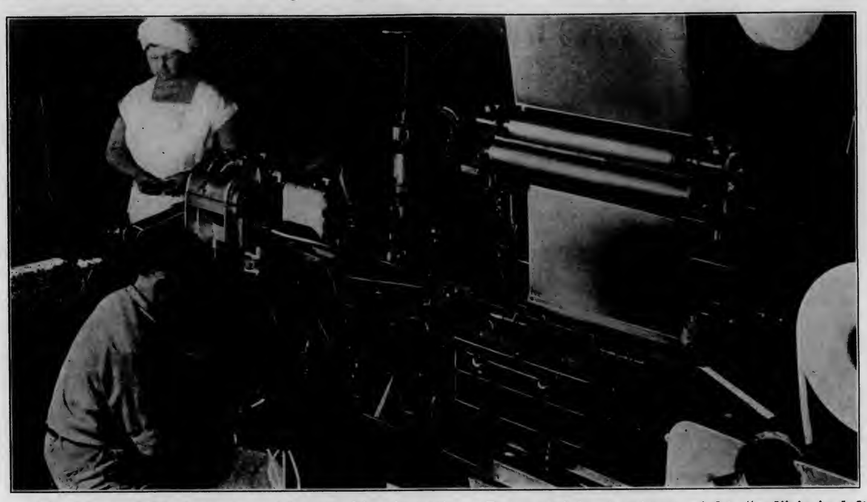
The manufacturer may, and often does, it is pointed out, control the prices for which his goods are sold, by retaining ownership and responsibility for price risks up to the final sale to the ultimate consumer; but to give him, by special enactment, a like control after the goods have passed out of his ownership, thereby discontinuing his responsibility for mercantile risks, would not only seem inconsistent, but would be erroneously assuming this to be a simple matter of disposing of the problem.

"According to the experience and opinions of some of those close to the facts of trade," the commission commented, "it appears that in order to protect the public from the consequences of such apparent simplification of business conditions for the manufacturer and his distributors, elaborate Governmental administrative machinery would need to be provided to prevent numerous abuses injurious to the consumer and to the retailer from developing under conditions thus created.

"Such Governmental participation in the control of prices is a dangerous departure from existing policies with respect to price making in the ordinary course of commerce, as well as of questionable efficiency.

(*Continued on Page 14*)

Chesterfield Manufacturing Exhibit Opens On Michigan Avenue, Chicago



The Chesterfield cigarette making machine in action. Paper reel is at extreme right, "rod" is in left center above flywheel, and finished cigarettes at extreme left.

LIGGETT & MYERS have capitalized on a new mid-western sales promotion idea by opening, on June 25th, a "Chesterfield" manufacturing exhibition in Chicago at Michigan Avenue and Jackson Boulevard, in the Railway Exchange Building. The exhibit is to be permanent.

Two complete cigarette-making machines and one complete packaging machine duplicate actual factory operation. Thousands of curious spectators crowd into the showroom to watch, for the first time in their lives, how cigarettes are actually made and packaged.

The surroundings, in their luxurious appointments, strike a new note in cigarette promotion directly contacted with the public. Bronze revolving doors lead into an eight-foot aisle laid with green-and-black terraza marble. The walls are done in white vitriolite, trimmed with black and silver. A decorative silver frieze borders the tops of the walls. The ceiling is silver-leafed and all the metal work in chromium steel.

Fourteen hundred cigarettes a minute—forty-two miles of cigarettes each day are produced. The total daily production is about 1,000,000 cigarettes. They are packaged at the rate of seventy packages a minute —consistent with the manufacturing ratio.

Electric Detectives on the Job

The manufacturing machines, after being supplied with correctly blended and shredded tobacco and two-mile reels of finest French paper, distribute just enough tobacco for correct cigarette calibre on the flat paper as it moves rapidly towards the cigarette-forming tube. The tube not only forms the cigarette but pastes it with a pure milk substance. Just before this happens the tobacco has been vacuum-cleaned in the machine and another device has printed the brand name at proper intervals on the paper.

Emerging from the tube, the tobacco and paper is known as a "rod"—it is really a cigarette several feet long which slides quickly towards circular, self-sharpening knives that slice it into proper cigarette lengths. The cigarettes drop into waiting trays so fast they look like one continuous line.

During the packaging process automatic counting fingers assemble the cigarettes in package groups of twenty by merging three units of seven, seven and six cigarettes each. Packages are made by another attachment that applies, cuts and folds the inner bond paper wrapper, the metal foil, and the labeled cup. The counted cigarettes pass before an electric "detective" which rings a bell, flashes a light and scores the package in case of an incompletely filled, or missing, cigarette.

Following this, the United States six-cent revenue stamp is attached to each package, which is then wrapped in the final, moisture-proof covering.

Next, the packages are grouped in cartons, which are sealed with a waxtite wrapper; these are placed in sealed shipping containers ready for shipment to their ultimate destinations.

LORILLARD ELECTION UPHELD

The Supreme Court, at Trenton, N. J., on June 12th, dismissed an action of minority stockholders and upheld re-election of the board of directors of the P. Lorillard Company, of Jersey City.

O'KEEFE TO DIRECT TRAISER ACCOUNT

H. Traiser & Company, Inc., Boston, Mass., manufacturers and distributors of cigars, has appointed the P. F. O'Keefe Advertising Agency, Inc., to direct its newspaper advertising. The advertising will feature "Pippin" and "Harvard" cigars, and will be confined to the New England territory for the present.

RECEIVERS FOR STANLEY DRUG COMPANY

FIRE which destroyed the building at 1024 Chestnut Street, on March 15th last, part of which was rented by the Stanley Drug Company, was indirectly responsible for the appointment of two equity receivers for the company's affairs by the United States District Court here last week.

Following the appointment by Judge William H. Kirkpatrick of Albert A. Light, treasurer of the company, and John H. Belsterling, president of the wholesale drug house of Aschenbach & Miller, Third and Cambria Streets, this city, as the receivers, attorneys for both the company and its creditors said that such an action was made necessary by threats of the owner of 1024 Chestnut Street to tie up all of the company's assets unless it paid more than $125,000 in rentals on a lease which has upward of five years to run. This demand was made, they said, notwithstanding that the building has not been reconstructed and cannot be occupied by the drug company.

On the basis of an inventory taken April 30 last, the drug company is adequately solvent, its books showing assets of $543,018.06 and its liabilities $258,-599.25, with its fixed assets at about $300,000, but these would be tied up if the landlord carried out his threat of attachments. Under the order of Judge Kirkpatrick the receivers are to continue the operations of the company's other stores in Philadelphia and the owner of the store wrecked by fire is enjoined from taking any proceeding on his claim for rent pending further order of the Court.

On behalf of the Stanley Company, Jacob G. Goldblum, its president, signed an answer consenting to the Court appointing the receivers for the conservation of the assets.

GEORGE SHERMAN WILL DEVOTE ENTIRE TIME TO HIS ADVERTISING BUSINESS

George C. Sherman, former president of the Universal Tobacco Machine Company, having disposed of his interests in that corporation to the International Cigar Machinery Company, will now devote all of his time to the advertising agency business with which he has been identified for the past thirty years.

While maintaining his advertising agency, Mr. Sherman was for twenty years the general business director of the Universal Tobacco Machine Company. This connection has given him a wide experience and a vast store of knowledge and information concerning the manufacture, sale, consumption and advertising of cigars.

Obviously Mr. Sherman is unusually well qualified through his years of study of the cigar and tobacco industry to render an exceptional service as advertising counsellor to some progressive cigar manufacturer.

The George C. Sherman Company, of which Mr. Sherman is president, maintains offices at 183 Madison Avenue, New York City.

GENERAL CIGAR COMPANY SALES INCREASE

It is reported that in recent weeks there has been a marked improvement in the sales of General Cigar Company products, with the result that financial circles have reached the conclusion that there is not likely to be any change in the company's dividend rate, although it will fail to earn the dividends paid in the first six months of this year.

R. G. SULLIVAN SALES INCREASE 100 PER CENT

JOSEPH W. EPPLEY, of the R. G. Sullivan Company, Manchester, N. H., recently confirmed reports that the company, which manufactures the "7-20-4" and "Dexter" brands, had increased the output of their brands as well as the manufacturing force.

He stated that since May 4, when the company decided to reduce the price on their "Dexter" brand, orders came in so fast that it was practically impossible to meet the demand with the manufacturing force employed at that time, and the company officials were compelled to double the day shift, and put on a night shift, so that the plant is now operating practically on a basis of a twenty-four-hour day.

It was further stated that the night shift would be increased to the same number of employees as the day shift.

The "Dexter" has met with instantaneous popularity since the price cut and orders for that brand as well as the famous "7-20-4" will keep the factory operating at present capacity throughout the summer months.

The output today as compared with the output prior to May 4th shows an increase of one hundred and fifty per cent.

THE SIXTH SUMATRA SALE

The sixth sale of Sumatra tobacco took place in Amsterdam on June 5, according to a report of a brokerage firm in that city. The quantity of tobacco suitable for the United States market was limited and not more than about 600 bales were purchased for United States account, so that the acquisitions made by the different European regies exceeded those made by the United States. At present, one may say that as to wrapper tobacco, practically the bulk of the 1931 crop has been sold. The balance of the offerings of most of the growing companies consists mainly of binders, only the Deli Maatschappij and Senembah Mattschappij have yet several small foot-leaf lots to be put up for sale in the coming inscriptions. Out of hand buying was not as frequent as in the previous sales and only one lot was purchased before the inscription. The total quantity bought by the United States during the season now amounts to 14,200 bales compared with 23,350 bales purchased during the first six sales of 1930. The next Sumatra sale will take place on June 19th.

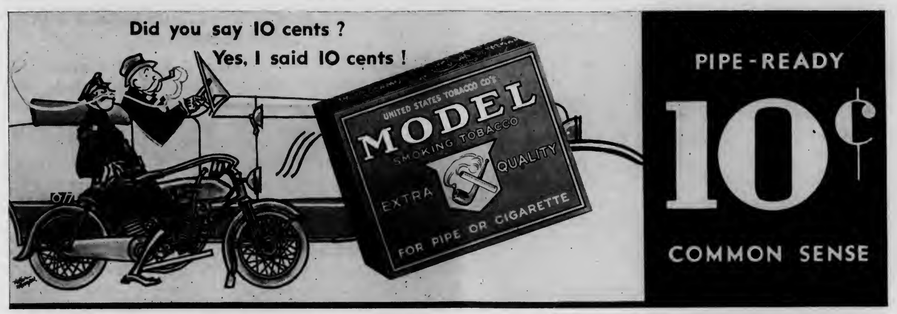
Reports from Sumatra state that the rainfall has continued and planters are satisfied so far. However, forecasts regarding tobacco crops are often rather dangerous and it is best to postpone giving a definite opinion. Reports from the Deli Mij., Deli Batavia Mij. and Arendsburg are the most favorable.

BONDY ESTATE $526,260

The estate of Richard C. Bondy, vice-president of the General Cigar Company, who died October 12, 1930, was appraised last week and reported to be $526,-260 net.

Mrs. Bessie Gross Bondy, of Golden's Bridge, N.Y., widow, receives real estate valued at $134,500, personal effects valued at $9076 and a life interest in the residuary estate of $386,749.

Richard C. Bondy and Philip Lederer Bondy, both of Golden's Bridge, sons, receive remaining interests in the trust created for their mother. Three servants receive $600, $400 and $200 respectively.



FLETCHER & CALDWELL RESIGN FROM AMERICAN TOBACCO COMPANY

ANNOUNCEMENT has been made of the resignation of J. K. Fletcher and F. S. Caldwell, both of whom have long been associated with the selling activities of the American Tobacco Company.

Mr. Fletcher was assistant to Vincent Riggio, vice-president, and had been associated with the company for approximately twenty-five years, and had displayed exceptional ability in organizing the sales promotion work of the company.

F. S. Caldwell had also been associated with the company for more than twenty years and was sales manager for the eastern territory.

Frank Riggio, son of the vice-president, has been chosen to succeed Mr. Fletcher. He has been associated with the selling force of the company for about three years.

R. J. McCreight, formerly associated with the sales force of the American Cigar Company, has been chosen to succeed Mr. Caldwell.

Messrs. Caldwell and Fletcher have made no announcement as to their future plans.

CIGAR MANUFACTURER'S DAUGHTER'S ESTATE

A personal estate of $200,000 and upward, and real estate valued at $2800 in Philadelphia, were left by Mrs. Carmen de Waepenaert, who died in Paris April 1. The will was filed last week here.

Mrs. de Waepenaert was the daughter of the late Antonio de Roig, Philadelphia cigar manufacturer.

The will leaves the entire estate to a sister, Mrs. Rosita Frances Mapleson.

RECEIVER FOR LOUIS KING COMPANY

Judge Frederick M. Peasley, of Superior Court, Hartford, Conn., last week named Clarence M. Knox, of that city, as temporary receiver of the Louis King Cigar Company, manufacturers of the "King Perfecto," and other brands, of which Gustave Kahn is president.

The application for the receivership was brought by Josiah J. Margulies, of West Hartford, owner of 499 shares of the 5000 shares of the $250,000 corporation. Mr. Margulies also asked for dissolution of the company although he set forth that the firm is solvent.

A claim by the First National Bank of Hartford, which placed an attachment on the company on May 29th, caused the receivership action. Mr. Knox furnished a bond of $25,000 and will continue to operate the company and obtain an audit. There will be a hearing on September 4 on the confirmation of the temporary receiver, who is represented by Harry J. Nair.

The company operates a cigar factory in Philadelphia on South Third Street.

CUBAN EXPORTS

The exports of cigars from Cuba during the month of May, 1931, amounted to 10,919 pounds. Exports of leaf tobacco were as follows: Stemmed, 897,538 pounds; unstemmed, 343,712 pounds; total leaf tobacco, 1,241,-250 pounds. (American Consul General, Frederick T. F. Dumont.)

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

MAJOR HOLLERAN AND TOMMY LOUGHRAN FEATURED IN BAYUK BROADCASTS

AN American who fought as a private with the British infantry during the World War and was so seriously wounded that he was "judged unfit for further service in the infantry," later became an officer and an ace in the Royal Flying Corps, with nine enemy planes to his credit.

That is the history of Major Owen Cobb Holleran, of LaGrange, Ga., who was the guest at the Bayuk Stag Party broadcast Sunday evening, June 21, at 9.15 E. D. T., from WJZ and associated stations.

Major Holleran's experiences, some of which he narrated in his talk, were among the most unusual that fell to the lot of an American in the grim times between 1915 and 1918. In the spring of the former year, he went to England and enlisted as a private in one of the British Army's crack regiments, the Royal Dublin Fusiliers. During the Sulva Bay campaign in Gallipoli, Major Holleran was wounded but recovered and served with the Dublins in the first Serbian campaign. It was there that he received the injuries, including the loss of parts of both feet, that finished his career as an infantryman.

Back in England, however, he managed to work his way into the Flying Corps, in spite of his damaged feet. Then came days of flying in France, a promotion in the field to the rank of captain in addition to other honors, and, ultimately, fresh wounds and capture by the Germans in September, 1918, while leading a daylight raid. Finally, nearly four months as a German prisoner brought an end to Major Holleran's adventures.

In his talk, Major Holleran told of some of the more thrilling of his varied experiences.

Nat Brusiloff and his orchestra and the Stanley Quartet supplied the musical portions of the program, while Kelvin Keech was the announcer.

Tommy Loughran, who renounced his claim to the title of world's champion light heavyweight in order to become an active contestant for heavyweight honors, was fistic critic during the Bayuk Stag Party of Sunday evening, June 28, at which time he discussed the respective merits of those two outstanding heavyweights, Young Stribling and Max Schmeling. Loughran's talk was a particularly timely one, for it preceded by only a few days the Stribling-Schmeling bout scheduled for Friday, July 3, in Cleveland.

A product of Philadelphia, Tommy Loughran, as fight fans know, climbed the ladder in his particular class until he reached the topmost rung. Then came his decision to reach out for new laurels, as a heavyweight. In order to qualify in the latter class, he has made a careful study of possible rivals in the field and what he had to say about both Young Stribling and Schmeling was not only interesting but authoritative. Loughran also induged in a bit of reminiscence as to his own experiences in the ring.

BAYUK DIVIDENDS

Last week, directors of Bayuk Cigars, Incorporated, declared a quarterly dividend of seventy-five cents a share on the common stock, payable July 15th to stockholders of record June 30, and also declared the regular quarterly dividend of $1.75 on the first preferred stock, payable July 15th to stockholders of record June 30.

ELEVEN MONTHS' WITHDRAWALS FOR CONSUMPTION

	1st 11 Months Fiscal Year 1930	*1st 11 Months Fiscal Year 1931*
Cigars:		
Class A—		
United States	3,302,604,400	3,263,167,030
Porto Rico	110,128,340	135,319,970
Philippine Islands	140,791,465	141,158,425
Total	3,553,524,205	3,539,645,425
Class B—		
United States	451,732,280	307,890,763
Porto Rico	3,506,930	2,888,750
Philippine Islands	2,074,182	1,353,181
Total	457,313,392	312,132,694
Class C—		
United States	1,905,132,938	1,479,753,444
Porto Rico	13,767,830	8,489,556
Philippine Islands	639,032	924,144
Total	1,919,539,800	1,489,167,144
Class D—		
United States	125,735,106	100,036,530
Porto Rico	48,700	35,200
Philippine Islands	8,960	9,930
Total	125,792,766	100,081,660
Class E—		
United States	23,841,962	18,286,206
Porto Rico	33,400	3,600
Philippine Islands	29,286	69,741
Total	23,904,648	18,359,547
Total All Classes:		
United States	5,809,046,686	5,169,133,973
Porto Rico	127,485,200	146,737,076
Philippine Islands	143,542,925	143,515,421
Grand Total	6,080,074,811	5,459,386,470
Little Cigars:		
United States	367,433,373	322,842,279
Porto Rico	7,000,000	5,550,000
Philippine Islands	.....	.....
Total	374,433,373	328,392,279
Cigarettes:		
United States	108,184,908,741	108,124,209,528
Porto Rico	1,813,020	18,171,000
Philippine Islands	2,775,540	2,042,943
Total	108,189,497,301	108,144,423,471
Large Cigarettes:		
United States	8,432,105	5,786,553
Porto Rico	3,012,400	2,010,000
Philippine Islands	.....	6,800
Total	11,444,505	7,803,353
Snuff (pounds):		
All United States	37,773,105	36,667,616
Tobacco, mfd. (pounds):		
United States	307,033,706	296,517,498
Philippine Islands	1,992	1,467
Total	307,035,698	296,518,965

MAY CIGAR PRODUCTION DOWN

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of May, 1931, and are issued by the Bureau. (Figures for May, 1931, are subject to revision until published in the annual report):

Products	*May, 1930*	*May, 1931*
Cigars (large):		
Class A.....No.	307,027,260	314,514,100
Class B.....No.	37,820,713	13,716,427
Class C.....No.	166,145,792	128,653,790
Class D.....No.	11,249,959	9,513,814
Class E.....No.	1,531,439	901,530
Total.....	523,775,163	467,299,661
Cigars (small).....No.	36,954,000	32,498,000
Cigarettes (large)....No.	625,994	376,660
Cigarettes (small)....No.	10,300,767,513	10,447,680,180
Snuff, manufactured..lbs.	3,433,759	3,397,806
Tobacco, manufact'd..lbs.	29,145,241	27,381,881

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of May:

Products	*May, 1930*	*May, 1931*
Cigars (large):		
Class A.....No.	11,769,300	9,627,815
Class B.....No.	310,500	327,300
Class C.....No.	932,900	827,826
Class D.....No.	2,500	5,000
Total.....	13,015,200	10,787,941
Cigars (small).....No.	1,000,000	500,000
Cigarettes (large)....No.	178,000	110,000
Cigarettes (small)....No.	790,000	1,000,000

Tax-paid products from the Philippine Islands for the month of May:

Products	*May, 1930*	*May, 1931*
Cigars (large):		
Class A.....No.	10,045,140	14,511,870
Class B.....No.	90,927	97,550
Class C.....No.	53,576	36,652
Class D.....No.	500	500
Class E.....No.	.....	160
Total.....	10,190,143	14,646,732
Cigarettes (large)....No.	.....	1,000
Cigarettes (small)....No.	180,810	148,540
Tobacco, manufact'd..lbs.	177	83

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplemental to the May Statement of Internal Revenue Collections

Objects of Taxation	*First eleven months Fiscal Year 1930*	*1931*
Tobacco manufactures:		
Cigars	$19,703,071.49	$16,697,990.55
Cigarettes	324,624,749.19	324,430,473.12
Snuff	6,799,159.06	6,590,170.61
Tobacco, chewing and smoking	55,271,770.56	53,380,699.60

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

"It is alleged especially that the waste and inefficiency in the processes of distribution, which are already the subject of general complaint, would be enhanced by the proposed legislation."

The story of competition between well-known trade-marked goods and less well-known products plays a large part in the report.

Volume of sales of nationally advertised articles is generally greater than that of lower priced, less well-known competitive goods, while costs to retailers of equal quantities of the same commodities are greater for advertised than for non-advertised brands.

For a group of 10,000 price quotations for drug store articles, comparison shows that average cost prices of nationally advertised articles were greater than those of competing wares specified by the retailer, but selling prices were not higher in the same proportion so that the percentage margins on the nationally advertised articles were lower.

Data for grocers showed generally the same results. Nationally advertised goods had higher costs and lower margins to retailers with higher selling prices to the consumer. Similar analyses for dry goods, clothing, and hardware showed like results.

Improvement in Business Conditions Well Established

Well-defined improvement in the business situation is evidenced by reports reaching Washington, it has been announced from the White House following consideration of the economic situation by President Hoover and his Cabinet.

It is understood that the President has had before him facts and figures gathered by the several members of the Cabinet who are directly interested in finance, commerce and trade, and it is known that he has heard from outside agencies as to the trend of conditions.

It is represented in Washington that, basing the present depression on the last five situations of like nature, the bottom was reached in December at a point denominated at 82. In April, it was explained, conditions had progressed in industrial activity so that the index number had risen to 89.

Viewing the approach of the next political campaign, the President and his Cabinet are much concerned over the general situation. They are hopeful of a business recovery, not necessarily of a spectacular character that would bring about another recession after the force of a spurt in trade is spent, but sufficiently perceptible to the general public as to restore business confidence.

Business recovery is necessary if the Administration is to be spared the painful operation of initiating tax increases and if it is to be able to forestall employment relief legislation of a character with which it is not in sympathy. While a readjustment of the tax basis is apparently much desired by the Administration, it has no desire to go into the next political campaign hampered by an admission, as interpreted by political opponents, of an inability to maintain a balanced budget. It is fully expected in Washington that any move in the direction of tax legislation, Administration sponsored, will be deferred until there is a greater degree of prosperity in the country.

Supreme Court Decision Entering Wedge for Chain Store Taxes

Recent decision of the United States Supreme Court, affirming the validity of the Indiana tax on chain stores, will be found to be the entering wedge for retail store taxation of all kinds and particularly for discriminatory taxation against large volume retail operation, it was predicted May 26 by George V. Sheridan, executive director of the Ohio Council of Retail Merchants, speaking before the convention of the National Retail Dry Goods Association.

Warning merchants throughout the country, particularly the larger operators in both the chain and department store fields, to give serious consideration to the rapidly developing problems of state and local taxation during the next year or two, Mr. Sheridan declared that unless this situation is faced squarely in the various states and handled constructively, retail operators of every description will be burdened with levies of taxes on their sales.

Information reaching Washington disclosed that the Indiana Board of Tax Commissioners has suspended the collection of the chain store taxes pending a rehearing of the case which is to be sought by the plaintiffs in the original suit. It is expected that a petition for a rehearing will be filed with the United States Supreme Court in the near future.

Six States Produce 50 Per Cent. of Manufactures

More than half of the country's manufacturing activity is concentrated in six states, it is disclosed by figures just compiled by the United States Census Bureau from the census of manufactures in 1929.

The total manufactured output of the country in that year was $70,137,459,352, an increase of more than $7,400,000,000 over the total for 1927, the previous high record, and nearly $17,000,000,000 more than in the depression year 1921, the bureau reported. The number of establishments listed was 210,710, an increase of nearly 19,000 over 1927, but nearly 4000 less than in 1919, when post-war activity was practically at its height, and the number of wage earners averaged 8,807,536, an increase of 459,000 over 1927, but approximately 1,000,000 less than in 1919. Salary and wage payments, however, were materially greater than in any previous year, the former being $3,579,624,574, an increase of $350,000,000 over 1927 and $700,000,000 over 1919, and the latter $11,649,536,855, an increase of $800,000,000 over 1927 and about $1,200,000 over 1919.

Analysis of the figures shows that more than half of the total number of wage earners were employed in the six states of New York, Pennsylvania, Ohio, Illinois, Massachusetts and Michigan, and three-fourths of all the wage earners were employed in fourteen states. More than half of the total value of factory production was concentrated in the six states of New York, Pennsylvania, Illinois, Ohio, Michigan and New Jersey, and three-fourths of the total in twelve states, the six named and Massachusetts, California, Indiana, Wisconsin, Missouri and Connecticut.

The leading states in value of output were: New York, $9,979,958,958; Pennsylvania, $7,387,856,808; Illinois, $6,232,438,498, and Ohio, $5,999,123,993.

VADSCO REDUCES STOCK VALUE

Stockholders of Vadsco Sales Corporation have approved a cut in the stated value of 1,021,573 shares of common stock from $7,794,534 to $1,021,573; reduction of good will to $4,000,000 from $7,952,310, and retirement of 7617 shares of preferred stock.

EDITORIAL COMMENT

(Continued from Page 3)

"What is the matter? I am selling fewer of all brands than ever before?"

Let the Solomons of the industry tell him—we stutter.

A retailer in a large city related last week that he had so many complaints on a certain brand that he must have a large percentage of a certain size packed in their natural wrappers. The jobber's representative called to investigate. After the dealer had told his story the representative told him that his house had received thirty such complaints in the past ten days.

A cigar manufacturer, long established and with brands of prestige, became so alarmed at the difference between the taste of his cigars in their natural wrapper and in the non-porous covering, that he has gradually worked away from one hundred per cent. in the transparent wrapper to almost fifty per cent. in their natural wrappers.

The transparent wrapper apparently has been to the cigar manufacturer what they call in bridge a "pianola", that's a hand that plays itself. However, as the game goes along it begins to look as if it has turned out to be a hand-organ and that there will have to be a lot of cranking done to keep the pennies falling into the hat.

If our observations are sound, we are inclined to the belief that the consumer generally is giving up his fads and fancies and spending his money for substantial articles in which the intrinsic values are more apparent.

During the past ten years we have particularly observed the cigar manufacturing industry jumping around from one fad to another.

The minute one important manufacturer introduces a new shape, a new type of container or a new idea in lithography or packing, the balance have followed like a flock of sheep. And the usual result has been that by the time the whole industry gets set on the new idea the originator has discovered its uselessness and switched to some new brain-child.

Good cigars packed in the old-fashioned way in porous wood containers are still being sold. As we have stated before, in the majority of cases the profitable sizes, particularly in clear Havanas, are still in their natural wrappers and in wooden containers into which Spanish cedar has been introduced.

The flashy trappings, the non-porous coverings, the substitute containers, and fantastic advertising claims, do not make a good cigar, and yet the industry seems to be spending a lot of its time and money to give the smoker everything but what he wants—a good cigar.

In our twenty-odd years of comings and goings we frequently have heard it whispered that so and so is the "silent" partner in such and such a corporation. The cigar industry need not be surprised if they find that they too have a "silent" partner. Octavus Roy Cohen has a name for it, "The Over the River Burying Society." We got the idea from the appended figures, and we don't think that they are entirely due to the "depression"—not by a heluva sight.

CIGAR WITHDRAWALS JANUARY TO MAY INCLUSIVE 1929, 1930 and 1931

(The following figures have been taken from the report of monthly cigar withdrawals issued by the Bureau of Internal Revenue.)

	1929	*1930*	*1931*
January	427,715,807	418,900,080	362,939,318
February	437,476,207	426,521,773	362,838,747
March	491,304,798	454,765,717	440,472,410
April	550,912,261	469,968,598	459,981,900
May	572,412,549	523,775,163	467,299,661

Decline in Cigar Withdrawals for the Above Period

	1930	*1931*	
January	8,815,727	55,960,762	
February	10,954,434	63,683,026	
March	36,539,081	14,293,307	
April	80,943,663	9,986,698	
May	48,637,386	56,475,502	
TOTAL	185,890,291	200,399,295	2-Yr. Total 386,289,586

BAYUK NOTES

(Continued from page 4)

Avenue last week. He reports a steady volume of Bayuk sales in his territory.

The McMahan-Leib Company, Anderson, Ind., are maintaining their steady sale in that territory and sending orders to the factory regularly for Bayuk cigars.

MANNIE FREEMAN IN TOWN

Mannie Freeman, well-known throughout the cigar industry as a salesman of exceptional ability, has been in Philadelphia for the past month representing the Porto Rican American Tobacco Company, and working on their "El Toro" brand. He states that they are meeting with wonderful success.

Readers Endorse Editor's Belief That Non-Porous Coverings Do Not Benefit Cigars

(Because nine out of ten letters received refused permission to use their signature, we are omitting signatures to all letters, excepting that of Col. Carroll's. The authenticity of the letters can be established to the satisfaction of anyone. They are printed as evidence that our views on the causes of declining cigar withdrawals have support among manufacturers, jobbers, dealers and the smokers themselves.—Ed.)

PHILADELPHIA, PA., MAY 27, 1931.

DEAR MR. HANKINS:

Your editorial in The TOBACCO WORLD of May 1, 1931, is an epic—perhaps even a Philippic.

Philip of Macedon might well have been the recipient of these orthographic shafts, and in a cause such as the "Decline and Fall of the Cedars."

But "a good cigar is a smoke," and I believe I know that much.

Your comment touches a subject in which many, who appreciate good cigars, are vitally interested.

You are too pessimistic.

Do you not know that what appears as a decline in withdrawals is in reality an increase? Those who do not know the difference follow the crowd when a new toy or fad appears, thus giving the substantial and discriminating the buying field for good cigars to themselves. The discriminating then become the arbiters and the crowd follows their habit and—follows.

In America "one in five have it." What? Some say it is "Spirea" (that's a variety of rambler rose, not a disease); others say it is "Mental strabismus" (squint); again others aver it is 'Macro-cephalis" (I'm told this means "swelled-head").

Now if one out of five have spirea, then four out of five are free to know cedar and tobacco. They are going to "have" both eventually.

The "mental strabismus" is not hopeless. I believe that looking at the bright bands and other finery through such poor lenses as "sell-a-pain" most people have ruined their second sight for discrimination. When they discover what a good cigar really looks like, and they meet it face to face and take it to themselves, carefully aged in Spanish cedar—why the denouement will make them so ashamed of themselves for having been mesmerized that they will "live happily ever after."

You know how the young man was bewitched into thinking his grisled, grey and mis-shapen grandmother was a beautiful damosel—only when he put on the magic glasses.

And finally, why be concerned about the last ailment of the Americas—macro-cephalis.

We are more or less affected by it, but it only becomes serious when we think that a fat cigar dressed as for the Mardi Gras and playing a circus band is the thing to smoke—and indicates a good cigar.

Very sincerely yours,
(Signed) VINCENT A. CARROLL.

(Lt. Col. Vincent A. Carroll is former vice-commander of the American Legion and is now Assistant District Attorney of Philadelphia, Pa.)

* * * * *

RED LION, PA., MAY 7, 1931.

DEAR SIR:

Your May 1st issue of The TOBACCO WORLD has been received and I have read the editorial comment.

I think you are right in everything that you have written as Spanish cedar is the only container for cigars.

* * * * *

DETROIT, MICH., MAY 8, 1931.

DEAR MR. HANKINS:

Your May 1st issue of The TOBACCO WORLD has been received and your editorial read with careful interest.

It is very fine and I see no reason why it should not stimulate our industry to do some serious thinking. To my mind it is the kind of comment that will aid a great deal in restoring the cigar to its prestige of being a "Man's Smoke," were it read and concentrated upon by important people interested in the industry.

* * * * *

YORK, PA., MAY 8, 1931.

DEAR SIR:

Your editorial in the May 1st issue of The TOBACCO WORLD is of definite value.

The editorial itself is very cleverly written, uniquely arranged and clearly presents a definite picture of a condition that exists in the cigar industry. A continuation of this type of comment should be very effective.

ATLANTIC CITY, N. J., MAY 1, 1931.

DEAR SIR:

I want to congratulate you on the splendid editorial in the May 1st issue of The TOBACCO WORLD.

It is right to the point and should cause some study on the part of cigar manufacturers.

* * * * *

NEW YORK, MAY 20, 1931.

TO THE EDITOR:

We have noted your recognition of what, in our opinion, is one of the most important factors contributing to the appalling decrease in cigar withdrawals.

Since time immemorial, good cigars and Spanish Cedar have been inseparable companions. The smell, the taste, the aroma of the one have always suggested the other, in fact they have come down through history together, one the perfect complement of the other.

There must be a well-founded reason for this bond, quite apart from custom and usage. It can hardly be the result of pure accident, as probably the first commercial tobaccos came from non-Spanish Cedar producing countries. Undoubtedly experiment was responsible for the discovery that Spanish Cedar contains a natural aroma which influences the flavor of tobacco.

Further experiments through decades has failed to bring forth any substitute material which could satisfactorily fulfill the dual capacity of Spanish Cedar as a perfect container light and durable, and as an agent for blending and improving the flavor and aroma of tobacco.

Once again we pay homage to Mother Nature, who has given us good tobacco and Spanish Cedar, the combined use of which has always spelled perfection in—Good Cigars.

* * * * *

BROOKLYN, N. Y., JUNE 12, 1931.

DEAR SIR:

We have read with great interest the Editorial Comment and article by Mr. Charles A. Knapp appearing in the June 1st issue of "the Tobacco World" regarding the packing of cigars, and we heartily endorse them both.

As steady and constant smokers we consume a large quantity of cigars, and we have decidedly noticed an unfavorable taste to these cigars since the advent of the transparent covering, and we have notified our cigar dealer that we positively want our cigars without this transparent or other covering, and packed in a wooden box as formerly, as that is the only way we will take them.

We believe that cigars without transparent or other covering, packed in an open pored wood box with as little outside covering of paper as possible, are then in an ideal package to bring out the best mellowed condition of tobacco.

The cigar manufacturer could, to the benefit of his cigars, discontinue the transparent and other covering and save money that is now wasted and to the detriment of his product.

If his margin of profit on cigars is so meagre, this is a good way to augment it and, at the same time, improve his cigars.

The old-time packing of cigars in wooden boxes (without wrappings) will restore the aroma and goodness of cigars, and bring back the old clientele and add many other new ones from the rising generation, which will bring about an increased and larger cigar business.

Tobacco and wood are both plants, and there is an affinity between them, and the closer they can be kept together will be to the benefit of the cigar. It is well worth the earnest and vital consideration of the cigar manufacturers.

* * * * *

JUNE 6, 1931.

DEAR MR. HANKINS:

I have read carefully Mr. Knapp's letter regarding the use of transparent wrappers for cigars and I consider his points well taken, and I also think that the editorial is good and to the point.

Personally I believe with Mr. Knapp that instead of spending money for wrapping cigars in material which takes away entirely the odor of the tobacco, and in addition is likely to spoil the taste of a good cigar should the cigar not be properly seasoned before it is wrapped, it would be better to spend a great deal less and pack their cigars in cedar boxes, because it has long been conceded by both the manufacturer and the smoker that the aroma of the cedar blends harmoniously with the aroma of the tobacco. As you so well pointed out in your previous editorial, opening a box of cigars enclosed in transparent wrappers is just like opening a box of any other merchandise, because it is impossible for the purchaser to know what he is buying, and with the discriminating smoker I believe it works as a detriment to the sale of cigars.

APALACHICOLA, FLA., JUNE 9, 1931.

DEAR SIR:

Congratulations are most certainly your due, for the editorial comments in the May 1st and June 1st issues of your publication.

I have also read with great interest the printed letter of Chas. A. Knapp.

The manufacturer of any worth-while product, is naturally vitally interested in the protection of his goods, from plant to consumer. He is also interested in the advertising medium of that protection, and he should be most interested in enhancing the value and/or quality of his product, especially when this takes place through the action of nature with no additional cost to him.

The manufacturers of cigars have this opportunity, and yet with few exceptions they ignore its presence.

Experience gained only after years of use has definitely established the fact that cigars to be really good must breathe. Therefore, it would seem to me that the manufacturer should pack his cigars so they can breathe, and at the same time be quite interested in what they were breathing. Cigars wrapped in non-porous coverings cannot breathe sufficiently of the oxygen so necessary for the continued conditioning of the cigar, and the wood box (with at least a bottom of Spanish cedar) is prevented from doing its intended work.

You give statistics showing the appalling decline in the consumption of cigars. A further review of the records reveal, that in other periods of depression the cigar industry suffered no such losses, as is now the case—therefore there must be some reason other than the present economic condition.

It occurs to me that the cigar manufacturer, is either missing, or ignoring, the answer to most of his troubles. Let him take the transparent wrapper off his cigars and pack them in a good wooden box, with at least a portion of it Spanish cedar (preferably the bottom, as from here largely comes the aroma). Then confine his advertising efforts, or better still pool them with those of other reputable manufacturers, to the creation of *Cigar Smokers.*

What this country eats, drinks and smokes is largely a matter of style and taste. An initially good cigar, breathing easily through the proper container insures the taste. The young college man could be made a cigar smoker, or at least a combination one, with the right cigar and proper effort. The cigar must be mild, inhaled with ease and enjoyment, and graceful in shape. The creation of this age cigar smoker insures the cigar business of the future.

It would be my suggestion that the cigar manufacturer give us a *really good* cigar, wrapped in "Thy Naked Beauty"; let someone who knows build his boxes of suitable materials, and put his efforts where they belong—toward the creation of smokers, not only for his product, but for *Cigars as a Smoke.*

Then and only then will you see the consumption of cigars do an "about face."

* * * * *

RED LION, PA., MAY 11, 1931.

DEAR SIR:

I heartily agree with your editorial in the May 1st issue of The TOBACCO WORLD. During thirty-eight years' experience I have had in connection with the cigar business I am convinced that these fads designed to make the cigar look pretty will not appeal to the smoker in the long run, or help business.

I am convinced that if we would put into tobacco what we spend for labels, bands, foil and transparent wrappers, the smoker would get more for his money and it would be the biggest advertisement the cigar industry has had in a long time.

* * * * *

TAMPA, FLA., JUNE 12, 1931.

DEAR MR. HANKINS:

I have read your editorial of May 1st with a great deal of interest. I agree with you in every respect relative to the wrapping of cigars in transparent coverings. If I were to write my version of the effect of such wrappings on Clear Havana cigars it would turn out to be a carbon copy of your editorial.

I think the only hope lies in biding our time until it passes that stage of it being a fad, and the smokers begin to realize that the non-porous wrapping robs the Clear Havana cigar of that distinctiveness in flavor which only Clear Havana cigars possess.

* * * * *

PHILADELPHIA, PA., JUNE 5, 1931.

DEAR MR. HANKINS:

I have the cigars which you sent me unidentified, one having been in a transparent covering and one without it.

I have smoked both cigars and there was really not so much difference with the exception that I think the cigar with the transparent covering (I was advised as to its identity after I had expressed my opinion), is not as desirable as the one without it, for the reason that if packed in a non-porous wrapper when the cigar is green it does not season and therefore makes a very heavy smoke as the tobacco retains more nicotine. Of course some people do not like this and I am one of these as I cannot smoke a very heavy cigar. Therefore I would favor the cigar in its natural wrapper as it is better seasoned and does not have that deep dark taste.

I have noticed this right along with cigars that have the transparent covering. They are more or less soggy, and for this reason I would prefer the old method of packing cigars in a good Cedar box wherein the cigar undergoes a natural seasoning. If the cigar is packed in a wooden box and kept in a humidor, it gives the writer far more satisfaction.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

SOUDERTON, PA., JUNE 3, 1931.

GENTLEMEN:

I have just finished reading the letter written to the "Tobacco World" by Mr. Charles A. Knapp.

I certainly agree with Mr. Knapp that if cigars were again packed in Cedar boxes same as they were just a few years back, the "Smoker" would soon realize the difference in the cigars and really enjoy his smoke to the finish instead of discarding it when only about half consumed.

If the manufacturers would only believe that this is one of the main reasons for the tremendous cigar withdrawals, and pack their cigars in all Cedar containers, the Cigar industry would have a brighter future than it has had for a long time.

When buying cigars, always look for the Cedar box and you will be assured of a good smoke.

* * * * *

NEW YORK CITY, JUNE 6, 1931.

DEAR SIR:

May I endorse most emphatically the subject-matter set forth in your editorial of June 1st.

I wish there was some way these facts could be given to the smoking public. There is no question in the writer's mind as to the wisdom of packing cigars in wooden boxes, and I firmly believe that if the cigar manufacturers hope to achieve success that the one essential step toward that goal is to pack their cigars in a container that has stood the test of time, and that will eventually, in my opinion, again be put into universal use.

* * * * *

RED LION, PA., JUNE 10, 1931.

DEAR SIR:

Your editorial in the June 1st issue of The TOBACCO WORLD comes as near to the real facts as anything I have read in a long time.

For some time we have had parties writing as to the quality of the tobacco not being what it has been. I do not believe it is the tobacco at all but am convinced that putting cigars in transparent coverings takes the smoking quality out of any tobacco. I have tried them in different ways. I have smoked them with and without the non-porous wrapper in plain wood boxes. I have tried them in boxes made of all Spanish cedar and with a plain box with a cedar bottom and no lining.

And I am convinced with my experience that if cigar manufacturers would put their cigars in wooden boxes with some cedar or all cedar, they would be giving the smoker something that would appeal to him.

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an auditional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

TRANSFERS

MERITELLS:—17,498 (Tobacco World). Registered March 23, 1909, by E. Y. Sterner's Sons, Philadelphia, Pa., and 37,990 (United Registration Bureau). Registered February 5, 1913, by Antonio Roig & Langsdorf, Philadelphia, Pa. For cigars, cigarettes and cheroots. Through mesne transfers acquired by F. Brecht's Sons, Philadelphia, Pa., and transferred to Frank W. Henschel, Philadelphia, Pa., June 5, 1931.

PARMONA:—24,253 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobacco. Registered April 4, 1912, by Kaufman, Pasbach & Voice, New York, N. Y. Transferred to J. W. Strieder Co., Boston, Mass., and re-transferred to E. L. Nichols, Lynn, Mass., June 8, 1931.

LATEST & BEST:—5,323 (Trade-Mark Record). For cigars. Registered November 3, 1888, by George Schlegel, New York, N. Y. Transferred to El Moro Cigar Co., Greensboro, N. C., June 12, 1931.

SILVERSMITH:—32,426 (U. S. Tobacco Journal). Registered December 19, 1906, and 32,632 (Tobacco Leaf). Registered December 20, 1906. For cigars, cigarettes, cheroots and tobacco. American Litho. Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to registrants to M. Sacks & Co., and re-transferred to Harry Rosenthal, New York, N. Y., June 15, 1931.

AMERICAN TWINS:—18,162 (Trade-Mark Record). For cigars, cigarettes and tobacco. Registered September 14, 1897, by Witsch & Schmitt, New York, N. Y. Transferred by Consolidated Litho. Corp., successors to registrants, to El Moro Cigar Co., Greensboro, N. C., June 16, 1931.

KENTUCKY KING:—41,635 (T. M. A.). For chewing and smoking tobacco. Registered January 24, 1920, by Warder Tobacco Co., Glasgow, Ky. Transferred to Barlow-Moore Tobacco Co., Bowling Green, Ky., June 11, 1923.

PORTO RICAN GROWERS AWAIT BETTER PRICES

ADVICES from Porto Rico are to the effect that one lot, amounting to 400,000 pounds of Porto Rican leaf has been sold at 24½ cents a pound, and this is reported to be the only substantial transaction thus far, according to M. T. Saldana, New York representative of the Tobacco Commission. The market is inactive, with all the larger lots in very strong hands. The leaf is of excellent quality, and is at present in the warehouses for fermentation. Holders are unwilling to accept present prices.

A heavy demand is reported for tobacco of the lower grades, such as is used in five-cent cigars, but most of the current crop is of the better grades.

Second crop leaf and "boliche" have been bought up by local manufacturers, whose factories in Porto Rico are working overtime. "Boliche" is that leaf which is not sound enough to be properly stripped, but not rotten, musty or mouldy.

WHY PAMPER A CANNIBAL?

The *Macon Telegraph* says an anti-tobacco leaflet says a cannibal will not eat the meat of a man who has used tobacco. But, what of it? Who's going to go without tobacco just to pamper a cannibal?

REYNOLDS CANCELS SOUTH CAROLINA ADVERTISING

THROUGH its advertising agency, the R. J. Reynolds Tobacco Company, of Winston-Salem, N. C., has cancelled all advertising contracts with South Carolina newspapers because of the tax situation.

In a letter to the newspapers concerned, the advertising agency, Erwin, Wasey & Company, of New York City, states "both our client and ourselves regret this condition of affairs, but as long as the condition exists it is doubtful if there will be any further 'Camel' cigarette advertising in South Carolina papers."

The boycott climaxes a dispute of more than three months between the Reynolds Company and the State tax commission. Many packages of "Camel" cigarettes have been seized by agents of the tax commission because, they said, the State business license tax stamps would not adhere to the new cellophane covering used by the Reynolds Company on its products as firmly as required by law.

The cancellation came at the same time as the commission recommended to the Reynolds Company a preparation made by a State chemist to make the stamps stick properly, if properly applied to the cellophane wrapper. The recommendation was made after intensive investigation and upon the request of the tobacco company.

S. Clay Williams, president of the R. J. Reynolds Tobacco Company stated that it was true that "Camel" cigarette advertising in some South Carolina newspapers had been cancelled, but he said that there was no feud between the Reynolds Company and the South Carolina State Tax Commission.

Mr. Williams said that many South Carolina merchants under the extremely rigid requirements of the commission with regard to cellophane wrapped cigarettes have developed a practice of removing the cellophane in order to make the State stamp adhere more firmly, and, since the cellophane feature of "Camels" was so strongly emphasized in the company's newspaper advertising, the company did not feel that such advertising would probably be of any value where the cellophane-wrapped packages could not be bought.

Cancellation of the advertising, Mr. Williams stated, was not done in any spirit of retaliation but rather as a practical business move. He also said that the revenue stamps could be made to adhere to the cellophane wrapper if they were properly applied.

MARKET OPENING DATES SET

At the Thirty-first Annual Convention of the Tobacco Association of the United States, held last week at Asheville, N. C., the following dates were set for the opening of southern tobacco markets:

Georgia District—July 28th.
South Carolina District—August 4th.
Eastern North Carolina District—September 1st.
Middle Belt District—September 22d.
Old Belt District—September 29th.
Dark Virginia District—October 27th.

The following officers were elected for the current year: Col. A. B. Carrington, Danville, Va., president; W. T. Clark, Wilson, N. C., first vice-president; E. J. O'Brien, Louisville, Ky., second vice-president, and J. A. Clark, Bedford, Va., third vice-president.

JULY 15, 1931

VOLUME 51 No. 14

THE TOBACCO WORLD

LIBRARY RECEIVED JUL 17 1931 U. S. Department of Agriculture.

POSTMASTER CIGAR
NOW IN 100's WOOD BOXES

This popular 2 for 5c cigar
Cellophane Wrapped
IT PAYS TO DISPLAY THEM

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

This Particular Message

Is addressed to cigar manufacturers who are seeking to increase the sale of their cigars in Nineteen-thirty-one.

There is no better way to attract smokers than by keeping your cigars fully in view, for approval and comparison.

Wooden Boxes increase the saleability of cigars by showing the sales points (size, shape and color) at a glance, at the same time preserving the natural freshness and fragrance that nature gave to the tobacco leaf.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 14

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, JULY 15, 1931 — Foreign $3.50

CIGARETTE PRICES CHANGE

FOLLOWING the advance in the wholesale price of cigarettes by the manufacturers on June 24th, price changes in the retail stores have been undergoing a gradual change.

Those retailers who were fortunate in having a substantial stock on hand continued to sell at the old price of thirteen cents a package, two for a quarter, while in some instances retailers immediately boosted the price to fifteen cents.

Last week the United Cigar Stores posted signs on their windows here advertising "Fatimas" at fifteen cents, while "Chesterfields" were still being displayed at thirteen cents a package, or two for a quarter.

The American Stores raised their prices to fourteen cents a package, two for twenty-seven cents, and thirty-two cents for the tins of fifty cigarettes, while other chain stores, including the United and Schulte, have established the price of the tins of fifty at thirty-three cents, effective Monday, and $1.32 for a carton.

Now that the retail prices on cigarettes have been established by the chain stores at a point where it is possible for the retailer to increase his profit on this merchandise, it is to be hoped that all independent retailers will fall in line and help to hold the prices at this level.

FRANK LLANO MARRIED

Frank Llano, sales representative of the American Cigar Company, who has been spending several weeks in Philadelphia promoting the sale of "Antonio y Cleopatra" cigars with great success, was married in Tampa on Monday, July 6th, to Miss Juanita Boothe.

The happy couple are on their way North by motor and will stop at Richmond and Pittsburgh for a few days.

E. A. KLINE IN CUBA

E. A. Kline, of E. A. Kline & Company, manufacturers of the "Medalist" cigar, sailed from New York on July 1st for Cuba, where he will spend some time in the interest of his company. Following his return to New York, Mr. Kline expects to sail for Europe on July 29th, and will spend some time at the health resorts in Germany.

NEW CAMPAIGN FOR "PENLO"

The Penlo Cigar Company, Philadelphia, maker of "Penlo" and "Sobo" cigars, is undertaking a new advertising campaign to be directed by Martin-Pilling-Shaw, Inc., advertising agency of that city.

BAYUK'S WIN COURT DECISION IN USE OF "PHILLIES" AND "PHILADELPHIA"

TWO COURT rulings of distinct interest to the cigar industry have just been handed down in the Supreme Court of the State of New York in favor of Bayuk Cigars, Incorporated, of Philadelphia. They took the form of preliminary injunctions affecting the use of the well-known names, "Phillies" and "Philadelphia" when applied to cigars.

In the restraining orders, which were signed on June 24th by John L. Walsh, Justice of the court, sitting in Special Term, Part 1, the use of the name "Phillies" for cigars received special attention. In response to the plea of the Bayuk Company, the defendants in the two identical cases, were "restrained and enjoined from preparing, putting up, selling or offering for sale cigars in packages bearing the label 'Phillies' and from putting up or offering for sale or selling any cigars with bands containing the word 'Phillies' other than cigars manufactured by plaintiff Bayuk Cigars, Incorporated."

The use of the name "Philadelphia" was also enjoined, the court orders restraining the defendants "from selling any cigars known as 'Philadelphia' cigars unless the boxes in which they are contained and/or the bands wrapped around the same are so dissimilar to those used by the plaintiff as to clearly indicate that they are not the cigars manufactured by the plaintiff," the Bayuk Company.

Furthermore, the defendants are enjoined from representing that any cigars labeled "Philadelphia" sold by them, except those manufactured by the Bayuk Company, "are plaintiff's product or Bayuk Cigars or Bayuk Philadelphia cigars."

Finally, under the present injunctions, the defendants are "restrained and enjoined from preparing, putting up, selling or offering for sale cigars in packages bearing copies of labels used by plaintiff Bayuk Cigars, Inc., or labels similar thereto or from putting up or offering for sale or selling any cigars upon which bands are the same or similar to those used by plaintiff Bayuk Cigars, Inc. other than cigars manufactured by plaintiff Bayuk Cigars, Inc."

In pursuing these cases to a successful outcome, the Bayuk Company is contributing its efforts to further insure the safeguarding of trade-mark and other closely identifiable names and packaging. Further court action is planned by the Bayuk Company wherever similar situations present themselves.

BOOKS CLOSED FOR BOND INTEREST

The transfer books of the 5 per cent. registered bonds of the Liggett & Myers Tobacco Company will be closed on July 15th for the payment of interest due August 1st, and will reopen on August 3rd.

Cuban Manufacturers Use Non-Porous Wrap Only On Demand Of Customer, Says Mr. Knapp

(Mr. Knapp, in the accompanying letter, raises some questions which should be of interest to every cigar manufacturer. To what extent the cigar manufacturer agrees or disagrees, is important, but obviously the last word is the opinion of the smoker himself. The smoker's answer is found in cigar withdrawals. The contributing causes are open to debate. We would be glad to have cigar manufacturers, jobbers and dealers express their frank opinions on Mr. Knapp's views. —Ed.)

New York City, July 8, 1931.

Editor, The Tobacco World,
236 Chestnut Street,
Philadelphia, Pa.

Dear Sir:

Pursuant to my letter of May 13th, commenting on your editorial in the May 1st issue of your publication, certain interesting statements regarding cigars manufactured in Cuba have been brought to my attention.

I am informed that the Cuban manufacturers will not use the non-porous transparent wrapper for their cigars unless it is a specific requirement of the order. When this concession is made it is with the understanding that the manufacturer assumes no responsibility for the smoking qualities of the cigar after it leaves his factory. And further, it is my understanding that the Cuban manufacturers pack their cigars only in Spanish cedar.

This would seem to prove that the Cuban manufacturers possess certain definite information, gained by experiment and experience, which leads them to refuse the dazzling non-porous wrapper, except under protest, for their product. Further, something more than custom must be responsible for their choice of Spanish cedar as the best container for their cigars.

Cuban manufacturers are proud and jealous of the reputation and success of their world-famous brands, and rightly so. Personal interviews confirm their belief that their method of packing is absolutely essential to the cigar reaching the smoker in a properly matured condition.

It should be of some interest to the cigar manufacturers of the United States to know that our Cuban neighbors are entirely content to disregard the use of transparent wrappers and substitute containers. They believe that the smoker of good cigars will sooner or later turn to brands packed in the old-fashioned natural way and that the Havana factories will profit from such a trend, which I think is bound to come.

Certainly everyone engaged in the manufacture of tobacco products is aware of the fact that this delicate leaf is most susceptible to every foreign substance which exudes an odor, and wood, and particularly Spanish cedar, is the only product thus far known, because of its porous nature, to have an affinity for tobacco and to add a pleasant fragrance to the cigar itself.

I am, therefore, somewhat surprised to find some of the nationally known brands of cigars packed in containers in whole or in part of what appears to be a heavy compressed pulp made from paper or wood fibre. The processes necessary for the production of such an article eliminate any possibility that any of the virtues of natural wood, favorable to tobacco, can remain in it.

At this time when every effort should be put forth to hold markets in every line, why should the cigar industry risk the prestige of its product by cheapening its container, when in fact it should be endeavoring to offer its merchandise in better condition and in better packings than ever before?

Another point I would like to raise is, why the use of container coverings which simulate Spanish cedar, if this natural wood has no virtue and no prestige with the cigar smoker? Is there not an adage that runs to the effect that imitation is the sincerest form of flattery? Why the attempt to make boxes look as though they are made of Spanish cedar when in fact they are only imitations?

The decline in cigar withdrawals clearly defines the problem of the cigar industry. New fangled ideas seem to be taken up more readily by the cigar industry than in any other business known to the writer. And apparently with less consideration of the ultimate results to be obtained.

Rebuilding the cigar industry calls for clear, constructive thought. And no new move should be attempted until it is definitely established by thorough experiment (not by snap judgment) that a change is either necessary or obligatory, and I might add—profitable.

The first step in such a program should be to determine not whether a change is cheaper, but whether it is going to increase cigar consumption by giving the smoker a more satisfactory product for his money. This means that we should not guess, but actually determine whether or not the non-porous transparent wrapper is a real sales factor from the standpoint of satisfaction to the smoker. And whether or not Spanish cedar in a cigar container actually helps to make cigars taste and smoke better.

I am one among many seeking an answer to this question. There is an industry at stake in my opinion.

The cigar manufacturing industry has not involved itself in an expense which runs into seven figures, in the face of declining cigar withdrawals, without having some conviction that the non-porous covering and the substitute container is a definite aid to sales and profits. Yet I fail to find any letters in your symposium of July 1st in defense of the transparent wrapper, except the admittance which you made in your May 1st editorial that it protects the cigar against breakage. On the other hand of what value is a protective wrapper if such an addition to the cigar is discouraging the use of the product?

Yours very truly,
CHARLES A. KNAPP.

Smoke a FRESH cigarette

Millions of men and women are now discovering a brand new enjoyment since Camels adopted the new Humidor Pack.

The mildness and the flavor of fine tobacco vanish when scorching or evaporation steals the natural moisture out of a cigarette.

Now, thanks to the new Humidor Pack, Camels, wherever you find them, are always *fresh* and in perfect mild condition.

Factory-fresh Camels are air-sealed in the new Sanitary Package, which keeps the dust and germs out, and keeps the flavor in.

No harsh, dried tobacco to burn the throat. No peppery dust to sting delicate membrane — just the cool mild aroma of fine tobacco, properly conditioned.

If you haven't smoked a Camel recently, switch over for just one day, then quit them—if you can.

R. J. REYNOLDS TOBACCO CO., *Winston-Salem, N. C.*

© 1931, R. J. Reynolds Tobacco Company

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton—this cigarette will remain fresh in your home and office*

CAMELS

NO CIGARETTY AFTER-TASTE

PHILADELPHIA.

WAGNER BRANDS FORGING AHEAD

AT JOHN WAGNER & SONS, 233 Dock Street, I. B. White, manager of the cigar department, reports business on their imported and domestic brands of cigars enjoying a steady demand with some notable increases.

The "Villazon," manufactured by Villazon & Company, Tampa, Florida, has been showing substantial gains following an aggressive sales campaign recently waged by this firm.

The "Carl Upmann" brand and "Garcia & Vega" brand are also showing steady increases in sales under the able supervision of Ben Lumley, who is representing those brands in this territory, and which are distributed by John Wagner & Sons.

SOL KORN A VISITOR

Sol C. Korn, vice-president and sales manager of the newly organized Continental Cigar Corporation, of Scranton, Pa., was in town last week visiting the prominent retailers for his firm.

The Continental Cigar Corporation manufactures the "R. B." brand, which was formerly the property of Rosenthal Brothers, of Scranton. This brand is an old-time favorite and is being welcomed back into the fold with a splendid volume of orders. The Scranton factory is employing approximately two hundred hands at present and more will be added as the demand increases.

ABE CARO IN TOWN

Abe Caro, of A. Santaella & Company, Tampa manufacturers of the "Optimo" brand, was in Philadelphia last week, conferring with officials of Yahn & McDonnell, local distributors of his brand. The "Optimo" has been enjoying a splendid demand in this territory for many months.

CONSOLIDATED BUYS PROPERTIES

A recent real estate transfer recorded here comprises the properties 1240-42-44-46-48 South Warnock Street, occupying a combined lot 70 feet by 42 feet, sold by Albert M. Greenfield & Company, to Stanley G. Cole, who conveyed to the Consolidated Cigar Corporation.

T. H. HART & COMPANY MOVE

T. H. Hart & Company, cigar distributors, who have been located at 1805 Market Street, for many years, have closed their headquarters at that address and are now conducting their business from 617 Chestnut Street.

PORTER HEADS CONGRESS CIGAR COMPANY

FOLLOWING the announcement of the retirement of Samuel and Jacob Paley as officials of the Congress Cigar Company, on June 29th, it was further announced that at a meeting of the board of directors of the Congress Cigar Company, James M. Porter, vice-president of Waitt & Bond, Incorporated, Newark, N. J., in charge of the manufacturing department of that company, had been elected president of the Congress Cigar Company, to succeed Samuel Paley.

William E. Waterman, president of Waitt & Bond, Incorporated, and C. Howard Knapp, treasurer of the same company, were elected to the board of directors of the Congress Company, in addition to Mr. Porter.

Mr. Porter will retain his position with Waitt & Bond, Incorporated, and will divide his time in the future between Newark headquarters of the "Blackstone" cigar and Philadelphia headquarters of the "La Palina."

Mr. Porter is the son of a professor of hydraulics at the Massachusetts Institute of Technology, and is a graduate of Dartmouth College. Upon leaving college he spent some time in Connecticut familiarizing himself with the sorting, grading and packing of tobaccos with the intention of entering the cigar business. He later entered the San Telmo Cigar Company where he acquainted himself with every feature of cigar manufacturing, and some time later became associated with Waitt & Bond, Inc., then located in Boston. Upon the death of Lou Jacobs, of that firm, Mr. Porter was chosen to head the manufacturing department of the company, and that the choice was a wise one was soon demonstrated by the steady growth of the sales of the "Blackstone" cigar.

Mr. Porter is today one of the best-known figures in the cigar manufacturing industry and has a host of friends, and a continuance of the growth of the Congress Cigar Company's brand may confidently be anticipated under his leadership.

"ROYALIST" ADDS ANOTHER SALESMAN

At the headquarters of Grabosky Brothers, Incorporated, 21 North Second Street, they report orders on their "Royalist" brand continuing to show a nice steady increase.

Ellis Harlan has been added to the sales force and will cover the seashore resorts and other parts of southern New Jersey, on the "Royalist" brand.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Adam and Eve in the Garden of Eden—A story we have all heard since childhood—Consider your Adam's Apple—the possession of each one of us, man or woman—your voice box—containing your vocal chords—your larynx—Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Be careful in your choice of cigarettes.

Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" Process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

©1931 A. T. Co., Mfrs.

"It's toasted"

Including the use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

REYNOLDS TO CONTINUE PURCHASING TOBACCO ON S. C. MARKETS

FRED D. WEST, State Senator from Abbeville County and retiring president of the South Carolina Press Association, said recently that he had been advised by the R. J. Reynolds Tobacco Company, of Winston-Salem, N. C., that reports that the company would not place buyers on South Carolina tobacco markets this season were false.

Senator West had been communicating with the Reynolds Company since its cancellation of advertising contracts in South Carolina newspapers, following a "war" between the state tax commission and the company over the question of affixing state revenue stamps to cellophane-wrapped cigarette packages.

Several lower state tobacco men recently have asked W. G. Query, the chairman of the tax commission, about reports that the Reynolds Company would not buy tobacco in the state this year, the Senator said.

Senator West received the following telegram from S. Clay Williams, president of the Reynolds Company, tonight:

"Replying to your report of a rumor in South Carolina to the effect that the R. J. Reynolds Tobacco Company has decided not to have buyers on the South Carolina markets during the coming season, I advise that no such decision has been made by this company.

"(Signed) S. C. Williams."

In a letter received by the Abbeville Senator from Williams today the latter said that he believed "our reasons for closing advertising in South Carolina will soon be removed" and that contracts would be restored.

Mr. West quoted Williams as saying that he expected adjustment of difficulties of dealers in affixing the revenue stamps to the cellophane.

Both the Reynolds Company and the tax commission have approved a method for affixing the stamps recently perfected by A. Coke Summers, state chemist, and it is believed that the situation has been amicably adjusted.

$7,000,000 DECISION SOON

Federal Judge William Clark, in Newark, on June 29th reserved decision until July 20th on the application of the Gillette Safety Razor Company to set aside service of papers in the $7,000,000 breach of contract suit by the United Cigar Stores Company of America.

The hearing was begun on July 9th in Boston, Mass., on a bill in equity brought against the directors of the Gillette Safety Razor Company by a group of minority stockholders. The stockholders seek to recover for the benefit of the company about $21,000,000 in alleged losses for which they claim the directors are responsible. Of the amount sought, $13,000,000 is for impairment of capital of the corporation.

The hearing was held in the Suffolk County Probate Court before Judge William M. Prest, acting as a master under appointment by the Massachusetts Supreme Court.

The directors named as defendants are John E. Aldred, Henry J. Fuller, both of New York; Maurice J. Curran, of Andover; Frank J. Fahey, Thomas W. Pelham and Ralph E. Thompson, of Brookline; John Gaston, of New York; King C. Gillette, of Hollywood, Cal.; Bradley W. Palmer and Philip Stockton, of Boston, and Channing C. Wells, of Southbridge.

GARY REPRESENTATIVES SAIL FOR POSTS

RANDOLPH CURRIN, manager of the Samsun branch, and L. A. Steele, manager of the Cavalla branch, of the Gary Tobacco Company, a Liggett & Myers subsidiary, who have been spending their vacations in the United States, returned to their posts on the steamship St. Louis sailing from New York July 11th.

Other representatives of the Gary Tobacco Company who recently sailed from New York for their respective posts are H. C. Griffin, to Samsun, Turkey; C. D. Hyatt, to Xanthi, Greece, and Mark Dew, to Izmir, Turkey. Mr. Dew was accompanied by Mrs. Dew, formerly Miss Mabel Belk, of Monroe, North Carolina. Mr. and Mrs. Dew were married on June 25th.

STAHL RESIGNS FROM A. C. COMPANY

According to an announcement by the officials of the American Cigar Company, on July 2nd, J. H. Stahl has resigned from that company. Mr. Stahl was associated with the company in an official capacity in the promotion of their cigar sales, and was a former assistant to Gerson Brown, former vice-president.

During his association with the American Cigar Company, Mr. Stahl has displayed exceptional ability in establishing the network of jobbers which have been so successfully distributing the products of the American Cigar Company throughout the country.

While it is anticipated by his friends in the trade that he will continue to be actively engaged in the cigar industry, no announcement as to his future plans has been made.

D. EMIL KLEIN SALES INCREASE

According to Steve Herz, general sales manager for D. Emil Klein Company, New York manufacturers of "Haddon Hall," "Nottingham" and other popular cigar brands, sales for the first six months of this year were substantially greater than for the same period of last year.

Mr. Herz states: "Increases in volume during the first half of the year were shown in every territory covered by this company. This is a high tribute not only to the high quality of D. Emil Klein Company products but to the ability of every member of our sales organization."

LORILLARD MEETING POSTPONED

The stockholders of the P. Lorillard Company held a postponed meeting at Jersey City on Tuesday of last week, but immediately adjourned the meeting until August 4th.

The further postponement of the meeting was due to the fact that a decision is pending in the New Jersey Court of Errors and Appeals on the injunction granted to a minority group of stockholders by the Court of Chancery. The injunction restrains the stockholders from voting on a revision of the bonus plan for officers and employees of the company.

GENERAL CIGAR DIVIDEND

Directors of the General Cigar Company have declared the regular quarterly dividend of $1 on the common stock of the company, payable August 1st to stockholders of record July 17th and $1.75 on the preferred stock, payable September 1st to stockholders of record August 22d.

© 1931, LIGGETT & MYERS TOBACCO CO.

The truth ...facts!

1 Cut for Pipes Only
2 Big Flakes that Burn Slow and Cool
3 Sweet to the End—No Soggy Heel
4 Made by Wellman's Method—an 1870 Tobacco Secret

Load on the installment plan; pack tight.

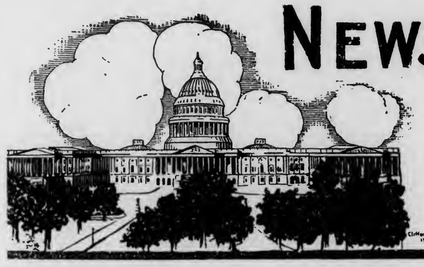
"Anchors aweigh, men, here's tobacco!"

YES, and *pipe* tobacco, too. Made and cut for pipes—and cut "rough"; the one right way tobacco *should* be cut to burn right. Big shaggy flakes that smoke sweet, cool and clean. Granger lasts *longer* per pipe-load, too. Time it and see for yourself.

And our old-time Wellman's Method brings out the richness as nothing else can.

Men, here it *is*: flavor, fragrance, deep rich mellowness—just what you *want* in tobacco. A cooler smoke and a drier pipe—anchors aweigh!

GRANGER ROUGH CUT



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

THE apparent futility of the flexible provision of the Hawley-Smoot law in bringing about speedy determination of important tariff rate changes is believed demonstrated in a report by the United States Tariff Commission of a review of its activities during the period June 18, 1930, to May 26, 1931.

In this report it was revealed that as a result of its labors there have been three rate increases, seven rate decreases, six cases in which the rates were not disturbed, and three cases wherein the President rejected the findings of the Commission, covering a total of nineteen cases.

By Presidential proclamation the rates of duty as prescribed by the Hawley-Smoot law upon woven wire fencing, woven wire netting and fourdrinier wire were increased. In similar manner, rate decreases were effected upon wood flour, maple syrup, maple sugar, men's sewed straw hats, pig skin leather, edible gelatine and wool felt hats and hat bodies. The rates left undisturbed by Commission action were upon ultramarine blue, wool floor coverings, pipes, pipe bowls, cigar and cigarette holders and mouthpieces.

The President declined to effect rate decreases indicated by the Commission as warranted by the results of its investigations of the differences here and abroad in the cost of production of canned tomatoes, tomato paste and cherries, sulphured or in brine.

Of course, it may be said on behalf of the Tariff Commission that a considerable number of employees are engaged in carrying out investigations ordered made by the Senate, one of which contemplates a report showing the conversion of ad valorem rates from the present basis of assessment upon the home.

Market selling price of imported commodities to the wholesale selling price of the exact merchandise in the United States, an investigation into the production of petroleum oil, and a survey of conditions with respect to the production of vegetable oils also occupies a great deal of the time of members of the Commission's staff.

There is a large number of people affected by the tariff who, for various reasons, prefer to have the present law untouched. It is understood, for instance, that the farm groups would like to have the flexible tariff provision disregarded for the next two or three years. Another group, consisting of manufacturers who fared pretty well in the log rolling processes employed in the Senate to secure high rates of duty on various commodities, fear the loss of some of this protection and do not want conditions disturbed. Still a larger group, it is said, while glad to see rate changes, have learned to conduct their businesses under the provisions of the law as they now exist and are willing to let well enough alone.

The comment has been heard here that if the multitude of alleged dissatisfied American importers and American manufacturers—there being far more of the former, of course, than the latter—had faith in an ability to bring about rate changes they would seek the benefits of the flexible provision. During the period under review, the tariff commission statistics show, there have been seventy-five applications received from the trade, covering 116 separate commodities, with an additional fourteen representing duplications.

It has been considered, in view of the extreme activity of Administration forces when various features in which it was interested in were endangered, to have the flexible provision retained in the law, that various inequalities which the President said would be ironed out by this process would have been speeded up. It appears that the trouble has been that those interested in tariff revision have been led to expect far more than in actual practice it has been found possible to do. On the occasion of the recent Congress of the International Chamber of Commerce in Washington foreign critics of our tariff law practically were invited to resort to the flexible tariff provisions for relief. It was noted that this reference came only after some of our own leading industrialists and bankers had voiced their opposition to the high rates of the present law and it has been indicated that this had invoked the displeasure of the Administration.

Cigar Wrapper Tariff Discussed

Effect of the tariff on cigar wrapper tobacco is discussed at length by the United States Tariff Commission in a voluminous report, just issued, embodying the results of an investigation made under the provisions of Section 336 of the Tariff Act of 1930, the so-called flexible tariff provisions.

In announcing publication of the report, the Commission pointed out that the subject of wrapper tobacco recently was brought to the fore by the request of domestic producers that Sumatra wrapper be excluded from entry under Section 307 on the ground that convict labor had been used in its production and also on the ground that wrapper is grown in such quantities in the United States as to meet the consumptive demands of the country. The Commission report, prepared before the complaint was brought before the Treasury Department, was not written from the point of view of the solution of that question, it is stressed, but rather is intended as a general treatment of the whole subject of the wrapper tobacco industry.

The report traces the development of the trade in wrapper leaf and the growth of wrapper production in the United States, from the beginnings of the domestic cigar industry when wrapper leaf was merely

(*Continued on Page 14*)

Autokraft Keeps Step With Change and Competition

This is an age of constant change and ceaseless competition, and those who would make progress must recognize this fact.

AUTOKRAFT has not been satisfied to produce wooden boxes that merely meet the requirements of a cigar container; it has sought, and is seeking, to answer the appeal of the times for something better, something new.

Because years of experiment and experience have demonstrated the natural affinity between wood and tobacco, its research department has expended years of effort to develop a superior, and at the same time economical, wooden container for cigars.

The new AUTOKRAFT wooden cigar box has been designed to fulfill more than the ordinary needs of such a package. Those who keep pace with progress should learn in detail of its unusual merits and economies.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

A. C. MOWER RESIGNS FROM AMERICAN

ARTHUR C. MOWER, vice-president and a director of the American Tobacco Company, resigned from that company on July 1st, due to ill health, and on the advice of his physician.

Mr. Mower has been associated with the American Tobacco Company for a number of years and for the past few years has been in England, where he was chairman of the board and a director of J. Wix & Sons, of London, tobacco and cigarette manufacturers.

PHILIP WEINBERG DEAD

Philip Weinberg, retired cigar manufacturer of this city, died on July 8th at his home, 4647 North Tenth Street, following an illness of only two days.

Mr. Weinberg was engaged in the cigar manufacturing business here for thirty-five years, until his retirement ten years ago.

Funeral services were held at noon on July 9th, at his late residence. Burial was in Roosevelt Cemetery.

He is survived by his widow, Mrs. Pauline Weinberg; seven sons, Bernard, Samuel, Maurice G. I. George, Herbert B., Isadore and Lincoln, all of Philadelphia; fifteen grandchildren and six great-grandchildren.

CIGAR COVER DIET BAD

A DISPATCH to the *Public Ledger* last week from Ithaca, N. Y., states:

A caution to the public against eating transparent wrappings of cigars and other articles was issued at Cornell University today.

The warning was made because while some of these products have been found edible at the university, others contain a finish which is not suitable for eating.

A plan to feed human beings with certain of these wrapping materials as a substitute for bran, the "roughage" in diet, was announced at the Cornell department of animal nutrition a few days ago.

When this news was made public it was believed at the university that the wrapping materials they received direct from the factory were all the same as that used commercially. It has developed since that some of the commercial wrappers are treated with additional materials to add to their covering value. Upon being informed of this, Dr. C. M. McCay, in charge of the feeding experiment, issued the following statement:

"Transparent wrappings that are used for food or cigars should never be eaten since many of them have additions in process other than pure cellulose. The animal nutrition laboratory of Cornell University has fed large amounts of a specific form of cellulose to rats, mice, fish, swine and even to men. In this form it is harmless and large amounts of it may be eaten without injury. This does not mean that all forms of transparent wrappers should be eaten indiscriminately."

PHIL M. PHULOFAX GIVES SOME VACATION POINTERS TO RETAILERS

PHIL M. PHULOFAX, D. B. I., associated with Bayuk Cigars, Incorporated, wishes to remind his friends, the cigar retailers of this country, that summer vacation time is upon us all. And although he himself expects to continue very much on the job writing his sales messages to retailers for publication regularly in the advertising columns of this magazine, he hopes said retailers and all their customers will spend a most enjoyable holiday period."

When asked if he had any personal message for the trade before the vacation season starts, Mr. Phulofax replied, "Yes, indeed. You may vary the words, but the tenor of it will be the same. 'Don't forget to sell each one of your customers at least one box of his favorite cigars before he starts on his vacation trip.' "

Mr. Phulofax continued, "Now, I'm not altogether sure that I should say what I'm going to, for in a way it casts a slight reflection on the ladies. And, although I'm not a married man, there's no more enthusiastic admirer of the sex than I am. Even the best of them, though, sometimes have one fault, and one that is likely to show up at vacation time. It takes the form of wanting to go to some fashionable mountain or seaside resort, where they can spend a lot of money and wear all their good clothes. Father, on the other hand, is all for roughing it somewhere. In the end, Father usually tags along after the women folks, carrying the money bags, playing bridge and taking long promenades in his white flannels.

"Then, if ever, is the time when Father needs consolation—when, as you might say, he 'needs a friend.' He may not be privileged to select the kind of vacation he wants, but you can help him select the kind of cigars that will give him the greatest pleasure during his vacation. It's your chance—you cigar retailers—to make a lifelong friend by seeing that he gets the right kind. You all remember the old jingle on this subject:

" 'A woman's only a woman,
But a good cigar's a smoke.'

"Seriously, a couple of catchy signs reminding Father to stock up with cigars before he starts on his vacation, so that there'll be no chance of his not being able to enjoy his favorite brand, is a mighty good selling idea. Add to it short, timely, word-of-mouth selling talks on the same subject, and get ready to cash in on increased box sales this summer."

"CORTEZ" CIGAR INCREASING

J. R. Wilson, factory representative of the Cortez Cigar Company, has been spending some time at Atlantic City working with the distributor of "Cortez" cigars there and reports that this brand is making hundreds of new friends daily.

The "Cortez" brand can be found in every worthwhile stand in Atlantic City, and has been a "best seller" in that city for several years.

FRED SUSS RETURNS FROM TRIP

Fred Suss, general representative of S. H. Furgatch & Company, New York cigar manufacturers, has returned to New York City after a two months' trip through the east and middle west in the interest of his firm's brands.

Mr. Suss reports finding an improved demand for high-grade brands and booked a substantial amount of orders for his firm.

CIGAR ADVERTISING HELPS AUTO SALES

A TOBACCO COMPANY, stimulating interest in motor cars on the part of the purchasing public in the course of its campaign to sell cigars, is giving untold dollars' worth of advertising to the automobile business, according to sales engineers.

Every day except Sundays the American Cigar Company gives away an automobile—Chevrolet, Ford or Chrysler's Plymouth—as a prize in a nation-wide contest for the best twenty-word sentence describing the merits, both in tobacco quality and sanitary manufacture, of its "Cremo" cigars, written on the backs of twenty "Cremo" cigar bands. Winners are announced over a country-wide radio hookup during the six-night-a-week programs of Arthur Pryor's Cremo Military Band.

The contest, with the enormous advertising and publicity attendant on it, not only benefits cigar sales, according to sales experts, but it focuses national attention on automobiles and should be a factor in increasing their sale. It is a distinctive recent development that formerly unrelated industries help one another directly, even while they work for their own interests, it is pointed out.

Meanwhile they go on spending millions for advertising and radio programs, promoting automobile sales—and incidentally cigars—possibly introducing a new era in commerce, but taking it as a matter of course because "business makes strange bedfellows."

PORTO RICAN GROWERS ASK HIGHER PRICES

The 1931 Deli tobacco crop promises at the present time to be extraordinarily good. Rains fell early in March, giving a good start to the young plants in the seedbeds, and heavy rains fell in the first half of April, just in time to prevent a large part of the crop from burning up from lack of moisture. Practically all of the estates in the growing region profited from these early rains. Lighter rains during the rest of the month brought most of the tobacco to a very good condition by the beginning of May. Since then the rain fall has been lighter and many estates are badly in need of water. However, the sand leaves, which make the finest wrapper, have nearly all been picked and hung in the sheds, and even though no further rains come, the stand of tobacco is very good; in fact, on certain estates, it is perfect. The 1931 crop is expected to be large and of much better quality than the 1929 and 1930 crops. The concern of the growers now is whether the tobacco will be permitted to enter the United States, and whether it will bring a good price at the Netherland auctions. If the American market is closed to the Sumatra leaf under the provisions of Section 307 of the 1930 United States Tariff, the Deli tobacco industry will be dealt a crippling blow from which it may never be able to recover. (American Vice Consul, Daniel M. Braddock.)

ROLLO VISITS CONGRESS COMPANY

A recent visitor at the Congress Cigar Company was Rollo, who has become famous as one of the characters in the radio broadcast of the Congress Cigar Company, featuring "La Palina" cigars.

While Rollo was in Philadelphia he was the guest of George M. Lex, office manager for the Congress Cigar Company, and paid a visit to Independence Hall and other points of interest here.

In private life Rollo is known as Donald Hughes.

TOBACCO ADVERTISING STILL INCREASING

RADIO BROADCAST advertising for the tobacco industry, over national networks during May, showed the usual high gain over the same month of 1930, a total of $424,539 being spent during the month this year for this purpose, a gain of 142 per cent. over the expenditure of $175,827 during May of 1930, according to the Business Survey Department of Dorrance, Sullivan & Company, Incorporated, New York advertising agents. For the first five months of 1931, the radio advertising totaled $1,771,283, a gain of $978,475 or 123 per cent. over the $792,029 similarly spent during the like period of 1930.

During June, 1931, the industry spent a total of $525,003 in magazine advertising, a gain of only half a per cent. over such advertising during June a year ago. The total for the first six months of 1931, however, showed a gain of 8.9 per cent. over the same period in 1930, the 1931 expenditure being $3,260,904 as against $2,995,913 spent during those months of 1930.

National magazine advertising showed a decrease during June, 1931, as compared with a year ago, the industry spending $485,853, a decline of 1.8 per cent. from the June, 1930, expenditure of $494,717. National farm magazine advertising increased from $27,600 during June last year to $39,150 this year, a gain of 41.8 per cent. During the first six months, national magazines advertising increased 6.8 per cent., from $2,874,738 in 1930 to $3,069,254 in 1931, while national farm magazines increased their tobacco advertising from $121,175 for these six months of 1930 to $191,650 in 1931, a gain of 58 per cent.

Of the June, 1931, total for national magazine advertising, the industry spent $389,690 for the promotion of cigarettes; $17,500 for cigars; and $78,663 for manufactured tobacco and smokers' supplies, respectively 80.2 per cent., 3.6 per cent. and 16.2 per cent. of the total of $485,853 spent in these media.

1931 SUMATRA CROP EXCELLENT

So far there is no change to report in the situation described for the week ending June 5. Sales of tobacco are scattered and rare. Information regarding sales is mostly of a rumor type and indefinite in nature among the trade. The bulk of the crop is still in the possession of growers, and there is yet a considerable spread between prices offered and those asked. It is reliably reported that 350,000 pounds were sold in the Juncos area on June 9 at an average price of 24 cents a pound; the better grades brought 24½ cents and the lower grades, 23 cents. Another report states that a large grower of the Island with an excellent crop in his barns is said to be asking 28 cents a pound and has been offered only 25 cents. One large company which frequently buys a rather low grade of leaf is said to be offering 22 cents a pound for tobacco for local use, but has found very few who will accept this price. (Assistant Trade Commissioner Darwin De Golia.)

A. M. & F. DIVIDEND

Directors of the American Machine & Foundry Company have declared the regular quarterly dividend of thirty-five cents payable August 1st to stockholders of record July 17th, and the International Cigar Machinery Company, a subsidiary of the American Machine & Foundry Company, has declared the regular quarterly dividend of sixty-two and one-half cents payable August 1st to stockholders of record July 17th.

THIS is a movie of a man who has just discovered Sir Walter Raleigh's specially mild pipe tobacco. Our figures show that hundreds of such men every day join the Raleigh club. We know you will find pleasure and profit in contributing to the happiness of this growing group by keeping a good stock of Sir Walter on display.

BROWN & WILLIAMSON TOBACCO CORPORATION
Louisville, Ky.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

News from Congress

(*Continued from Page 10*)

sorted out of ordinary cigar tobacco to the present time, when the growing of specialized leaf for wrappers, to measure up to the present high standards of the cigar trade, is an important agricultural activity.

After discussing methods of production, the Commission considers the increased importance during the past half century of the Dutch East Indies as the world's principal source of high-grade leaf for cigar wrappers, pointing out that in 1929 over 95 per cent. of the wrapper tobacco imported into the United States was of Dutch East Indies origin.

"In their competition with the strongly entrenched Dutch companies," it is pointed out, "American growers have had the benefit of a protective duty. The Act of 1930 increased the rate of duty on unstemmed wrapper tobacco from $2.10 per pound to $2.275 per pound. This new rate is equivalent to somewhat over $4 per 1000 cigars wrapped. In recent years the production of domestic wrapper tobacco, particularly of the more expensive types grown under shade, has rapidly expanded until in 1929 the shaded area in the United States produced more than 14,000,000 pounds of wrapper leaf. With the growth of the industry, consolidation and integration have steadily proceeded until at the present time the major part of the production is in the hands of a few strongly organized corporations."

Sumatra Decision Before January 1st

Issuance of a decision before January 1st next, as to the admissibility of tobacco from Sumatra, under the forced and indentured labor clause of the Tariff Act, has been promised by Treasury officials.

Extensive hearings were conducted on this tobacco, following the raising of the question whether there is a sufficient production of wrapper tobacco equivalent in quality to the Sumatra product to satisfy the demands of the cigar industry. Domestic producers, chiefly from the Connecticut Valley, testified that they could produce a sufficient quantity and quality of wrapper to meet this demand; the cigar manufacturers, however, protested that the domestic supply was insufficient and that its quality did not meet their requirements.

"Middleman" Most Important

The importance of the "middleman" in American industry is evidenced by figures just made public by the Department of Commerce, showing the volume of trade through all types of wholesale establishments in 1929 as $69,628,448,061, a figure almost equal to the gross value of manufactured products, about six times the gross income from farm production, and greater than the volume of retail business by nearly $20,000,000,000.

The difference between the volume of wholesale trade and the volume of retail store trade, recently reported by the department as $50,033,850,792, it was explained, is accounted for by the fact that the former includes exports by wholesale establishments, sales to industrial consumers, and some duplication in handling at various stages of the movement of goods from producer to retailer and to industrial consumers, while retail business includes only sales to ultimate consumers. The wholesale figures, however, it was said, show that more than 50 per cent. of the total is accounted for by the sales of wholesale merchants of the usual type.

The 1930 distribution census revealed that there are 169,888 wholesale establishments of all kinds in continental United States, including, in addition to wholesale merchants of the usual type, brokers, manufacturers' sales branches, bulk tank stations, selling agents, exporters, country buyers of farm products, and newer types of wholesalers, such as cash-and-carry houses, drop shippers, wagon distributors, etc.

The total volume of business reported includes sales by wholesalers to consumers at retail, but not the wholesale business done by retailers, nor does it include the more than $11,000,000,000 of sales made by manufacturers direct from their plants to retailers or the more than $16,000,000,000 of sales made by manufacturers direct to industrial consumers.

More than 25 per cent. of the total volume of wholesale trade was transacted in New York State, where 25,316 establishments reported a total of $17,664,514,767, an average of $1,403,282 per 1000 inhabitants. Illinois was second with 11,687 establishments reporting a total of $6,866,323,029, or 9.86 per cent. of the total volume, an average of $899,793 per 1000; Pennsylvania being third with 10,546 establishments reporting $4,761,812,064, or 6.84 per cent., an average of $494,426 per 1000, and California fourth with 9751 establishments reporting $4,159,023,157, or 5.97 per cent., an average of $732,609 per 1000. Approximately two-thirds of the total volume of wholesale trade is shown to be concentrated in eight States, the four named and Missouri, Massachusetts, Ohio and Texas.

FACTORY HIRES 25 NEW HANDS EACH WEEK

The Charleston plant of the American Cigar Company at Drake and Bay Streets, which will be the largest in the world at the end of the expansion program inaugurated last summer has been employing additional workers at the rate of twenty-five a week for some time past and will continue to do so for twenty-eight weeks longer, W. W. Jefferson, assistant to the vice-president and superintendent of eastern factories said yesterday. Mr. Jefferson was here on a monthly inspection trip and left in the afternoon by airplane for New York.

At the end of eighteen months, Mr. Jefferson said, the plant here will be the largest in the world, turning out more than 1,000,000 cigars a day. It takes ten days to make a single cigar. The present output is between 350,000 and 375,000 daily.

The plant employs 1200 workers now, mostly women, and the total personnel will approach 2000 at the end of the expansion program. If business conditions continue as at present, there will be no check in the constant stream of incoming workers Mr. Jefferson said. The reason why only twenty-five are employed each week is that it takes at least two weeks to train a new worker in the elementary processes of cigar making and months to train an expert. Novices must be assimilated slowly for this reason.

Mr. Jefferson spoke enthusiastically of the development of the Charleston plant. Hardly a department of the great factory but that is touched in the expansion program. On the fifth floor cigar boxes are manufactured and are used as containers not only for the products of the plant, but are shipped to several of the company's northern factories as well. This department plays an unexpectedly large part in the work of the factory, producing 30,000 boxes daily, and constituting the largest plant of its kind in the United States. Negro workers are employed exclusively.

ACOB PIPES IN DEMAND

THE Acob Pipe, manufactured by the Acob Pipe & Sales Company, Seattle, Wash., is being distributed in Philadelphia and surrounding territory by jobbers here and is meeting with a ready demand.

The Acob pipe is really a corncob pipe, enclosed in a bakelite shell, which entirely covers the corncob, thus allowing that old-time cool, sweet smoke that only a corncob pipe can give, but has every appearance of a high-grade pipe, and so can be smoked on the street, in the office or home, without embarrassment, by the most fastidious.

The Acob pipe retails at fifty cents, and offers a substantial profit to the retailer. Corncob refills retail at five cents each and are easily inserted in the Acob bowl without soiling the fingers.

E. R. HEWITT ON BAYUK PROGRAM

A famous disciple of Izaak Walton told of the joys and sorrows of fishing, at the Bayuk Stag Party, broadcast Sunday evening, July 12, at 9:15 (E. D. T.) from WJZ and associated stations.

Like the great author of "The Compleat Angler," E. R. Hewitt, guest artist on this program, has not only fished in many waters but has written extensively about his experiences. His books, "Telling on the Trout" and Secrets of a Salmon," are both well known to the devout followers of Walton.

For his radio talk, Mr. Hewitt drew upon his experience of more than fifty years in handling rod and reel. He had something to say about the never-ending controversy as to the merits of wet vs. dry fly fishing, the respective advantages of shallow and deep fishing, and other matters of interest to followers of the sport.

The musical portion of the program afforded opportunities to Nat Brusiloff and his orchestra to present a number of the latest popular selections while Jim Stanley and the male quartet contributed their own special numbers, introduced by Kelvin Keech, Bayuk's master of ceremonies.

READING MEN HELD AS RECEIVERS OF STOLEN GOODS

Three men are under arrest in Reading, Pa., charged with receiving part of a $3000 shipment of cigars stolen from a freight car of the Pennsylvania Railroad at Thorndale, Chester County, March 20th.

The men were arraigned before Justice of the Peace Philip I. Haring, at Boyertown, on charges of receiving stolen goods, and committed to Berks County Prison in default of $1000 bail each.

CHAIN STORE TAX IN ALABAMA

A tax on chain stores went into effect in the State of Alabama last week when the Governor on July 7th signed a bill taxing chain stores on the following basis: Annual license for one store, $1; two to five stores, $10 each; six to ten stores, $15 each; eleven to twenty stores, $25 each, and more than twenty stores, $75 each.

THE RED CIGARETTE

A report from Moscow says: "Individual in everything else, Soviet Russian now comes out with a 'Red' cigarette. The smokes are about two inches long and thicker than ordinary cigarettes. They have long mouthpieces of cardboard attached, and are to be exported to various countries."

CIGARETTE ADVERTISING SETS RECORD

CIGARETTE advertising this year will exceed even the record total of 1930, says the Standard Statistics Company, of New York, in a current survey of the tobacco industry. The bulletin continues in part:

"With the outstanding success of the advertising of American Tobacco (producer of 'Lucky Strike'), it has become obvious that the type of advertising employed plays an all-important part in the advancement of cigarette sales.

"Lately Reynolds (producer of 'Camel') has abandoned its former conventional advertising in favor of a new type of copy. The effect has been quite immediately beneficial to 'Camel' sales. We believe that in consequence of the new policies adopted, some relative growth of 'Camel' production will be experienced this year. A change in Liggett & Myers 'Chesterfield' copy, we understand is also being considered. This probably will be induced by the apparent failure of the brand to maintain completely its competitive position.

"While tremendous advertising outlays are thus being actuated through the struggle for supremacy of a single brand, they are serving as a fundamental factor in sustaining general sales this year."

BRITISH TOBACCO TRADE NORMAL

Since the anticipated increase in the tobacco duty in England did not materialize, the industry is once again back to normal. The actual budget outcome came as a surprise to most members of the trade. Various reasons were advanced by tobacco men for the failure of the Government to increase the duty, among which was the belief that any increase in the existing duty would cause sufficient decrease in the consumption, to offset the amount received from the higher rate. A feature of the budget speech delivered by the Minister of Finance before the Dail (Irish Free State) on May 6th was the statement that the tobacco tax last year had yielded $1,200,000 more than had been estimated.

After the budget was made up leaving the tobacco industry untouched (for at least one year), there was an immediate cry for a standardized duty on tobacco. It was pointed out that each year before the budget is announced the trade is caused great uneasiness; clearances are sometimes restricted, and an altogether unsatisfactory state of affairs exists; all of which would be done away with if the tobacco duties were standardized for a period of years. Since such a system was adopted with success in connection with Empire preference tobacco, it is believed that the same plan could be used for all tobacco.

BREMER WILL DEFENDED

Lewis Bremer, tobacco manufacturer, whose will is being contested here, "knew what he wanted done with his property" a few months before his death, Dr. Baldwin L. Keyes, alienist, testified here on Wednesday at a hearing before Robert M. Boyle, counsel for the Register of Wills.

Lewis Bremer, Jr., son of the dead man, is contesting the will, which disposes of property valued at about $800,000, alleging mental incapacity and undue influence by Dr. Elsie T. Reedy, a niece of the dead man.

The will bequeathed a quarter of the estate to Dr. Reedy, a quarter to the son and created a trust fund of the residue for a grandson and granddaughter.

SALESMEN EMPHASIZED IN SUCCESS OF AMERICAN TOBACCO COMPANY

THE secret behind the success of The American Tobacco Company enabling its larger force of salesmen to show a bigger profit than the year year before in face of reduced output, general curtailment of sales and unemployment in other lines of industry, was told by O. W. Peaslee, vice-president of The American Tobacco Company of the Pacific Coast, at the twenty-eighth annual convention of the Pacific Advertising Clubs Association at the Breakers Hotel, Long Beach, California, on June 24th.

Emphasizing the importance of maintaining an expanding sales organization, Mr. Peaslee told of the phenomenal gains in the sale of "Lucky Strike" cigarettes, which during 1930 showed an increase of well over six billion over the year 1929. Similarly, sales of "Cremo" cigars, made by a subsidiary of the company, showed a remarkable increase over the preceding year.

These gains were attributed by Mr. Peaslee to three things, the scientific superiority of the company's product, the increased advertising in magazines, newspapers and other media, and the maintenance and increase of the company's sales force.

"I believe that the explanation for the success of our product lies in the merits of our product and in the intelligent demonstration of those merits to the public by our advertising and our sales force," Mr. Peaslee said.

In the research laboratories of his company are twenty-five chemists, Mr. Peaslee said, who are constantly employed to follow, and in fact, develop every scientific advance and improvement in tobacco-manufacturing processes. As to why there should be so much stress laid upon manufacture, he said that The American Tobacco Company believes that without a superior product, all the advertising and salesmanship in the world would be ineffective to sell that product to the public.

In telling about emphasis placed by his company on its sales force, Mr. Peaslee said he considered it a mark of distinction that his company has not only maintained, but actually increased, its sales force during the depression.

"For us," he said, "it is absolutely necessary to employ a large sales force constantly, as there are about a million retailers in the United States who must be kept supplied with our products, and through whom the public must be kept reminded of our products. Even with all our advertising in newspapers, magazines and over the air, I can say with all sincerity, that there is no type of advertising more important than window displays in retail stores; these are placed all over the country by our great force of retail salesmen, and you may be interested to know that we are placing more window displays this year than ever before in the history of The American Tobacco Company.

"The American Tobacco Company has expended its money freely and to the best advantage to tell the public about the superior merits of its product by advertising, and to tell them about it in the most effective terms. It has created and maintained a sales force which effectively supplements its advertising campaigns, and it has held and even increased that sales force in the face of reductions in other industries."

THE PHILIPPINE TOBACCO MARKET

CROP conditions in the principal tobacco producing provinces of the Philippine Islands were reported favorable during the first quarter of 1931, although more rain for the later plantings would have helped considerably, reports Assistant Trade Commissioner Clarence P. Harper, to the Tobacco Division of the Department of Commerce. Light rains in Isabela and Cagayan provinces fell early in March but they were insufficient to be of much benefit to the growing crops. Generally speaking, however, the prospects, as a whole, are bright for a good yield this year.

It is reported that Manila stocks of cigar leaf of 1930 Cagayan and Isabela crops are calculated a little under 5,000,000 pounds. Exports during the quarter totaled about 4,000,000 pounds more than for the corresponding period in 1930. Price quotations by owners for the 1930 crops ranged from P12.00 to P15.00 per hundred pounds for Cagayan and P17.00 to P22.00 for Isabela. It is understood that a number of transactions took place at these figures.

Increased interest in Philippine tobacco from Europe was noted during the last two months and was responsible for a large share of the activity in the local market. Tobacco buyers report that the purchase of the 1931 crop of the La Union province will begin probably during April.

Cigar manufacturers state that while local sales of cigars and cigarettes maintained the usual volume in quantity, the consumer demand was largely concentrated on the lower price brands. The export business to China and the Straits Settlements has been affected considerably by increases in duty and generally unsatisfactory business conditions. It is reported that Siam increased the duty on cigars from 25 to 50 per cent. ad valorem. Shipments to Australia during the quarter were insignificant owing to the increased duties and adverse business conditions there.

Exports of cigars to the United States for the first three months of 1931 totaled approximately 30,586,000 as compared with 35,916,769 for the same period last year.

According to a report from Trade Commissioner Evett D. Hester, the Manila tobacco market during April strengthened as prices tended to increase, owing to an anticipated short crop caused by drought in Cagayan and Isabela. Depletion of stocks in Manila favors further price increases. Exports of leaf, stripped and scrap, totaled about 1,337,000 kilos during the month, 1,041,000 of which went to France; 164,000 to the United States; 81,000 to North Africa; 20,000 to Hongkong; 19,000 to China; and the remainder to various other countries. Cigar exports to the United States in April numbered slightly more than 12,000,000 in number.

DIAMOND MATCH EARNINGS

Diamond Match Company and subsidiaries report for the quarter ended March 31, 1931, consolidated net income of $671,963, after depreciation, amortization, Federal taxes, etc., equivalent, after dividend requirements on the 6 per cent. preferred stock, to 39 cents a share on 1,050,000 no-par shares of common stock.

In the first quarter of 1930 the consolidated net income was $710,136.

TOBACCO PRODUCTION AND TRADE OF THE NETHERLAND EAST INDIES 1929 AND 1930

THE production of leaf tobacco in the Netherland East Indies from 1925-1929 averaged 224,000,000 pounds, of which 181,000,000 pounds were produced in Java and Madura and 43,000,000 pounds in Sumatra, according to an interpretation of official data by the Tobacco Division of the Department of Commerce. No data are yet available for the 1930 production in Java and Madura, but the Sumatra crop of 1930 has been unofficially estimated at 41,317,000 pounds, compared with 42,692,000 pounds in 1929.

The last year for which complete data are available for tobacco production in the Netherland East Indies is 1929, when the total crop amounted to 221,000,000 pounds; 43,000,000 pounds produced in Sumatra and about 178,000,000 pounds, in Java and Madura. The tobacco industry of Java and Madura is not so highly organized as that of Sumatra where, except in minor quantities, tobacco is produced only on estates. In Java and Madura, native rather than estate production, predominates and the official statistics of the Islands show complete data only for the *area planted* to the native crop. The only attempt made to assemble production statistics of the native crop is shown in the reports of tobacco "bought up" by the tobacco estates from the natives. Owing to the fact that a great number of Chinese and other buyers, in mid-Java especially, are not included in these reports, "bought up" production data are not even approximately complete except in the provinces of the Vorstenlanden and Besoeki, where the estates do most of the buying. (See Trade Promotion Series Number 89, Tobacco Trade of the Netherlands and the Netherland East Indies, available at the Office of the Superintendent of Documents for 15 cents). Through research made by former Trade Commissioner Van Wickel, it was found that over a period of years the Java and Madura native crop would average about 4 piculs per bouw or 310.5 pounds per acre, and upon this basis the Java and Madura native production has been estimated in the following table:

Production of Tobacco in the Netherland East Indies

	Native Tobacco (2)		*Java and Madura Estate Tobacco*	*Total*	*Sumatra Estate Tobacco*	*Total Netherland East Indies*
	(Bouws)		(In Thousand Pounds)			
1925	195,637	106,549	60,732	167,281	39,734	207,015
1926	197,662	107,652	62,736	170,388	34,202	214,590
1927	234,868	127,915	56,515	184,430	41,270	225,700
1928	248,853	135,531	69,447	204,978	46,788	251,766
1929	206,238	112,322	65,746	178,068	42,692	220,760
Av. 1925-1929	216,652	117,994	63,035	181,029	42,937	223,966
1930	(1)	(1)	(1)	(3)131,282	(4)41,317	(1)

(1) Not yet available. (2) Complete data for the native production of tobacco in Java and Madura are not available from any official source; the figures offered here are estimates of 4 piculs per bouw or 310.5 per acre, considered by Javanese producers to be a fair average. (3) Exports only. (4) Unofficial estimate.

Sources: Statistical Abstract for the Netherland East Indies.

Reports of foreign representatives of the Department of Commerce.

The tobacco production for 1929 of the West Coast of Sumatra and other minor producing regions of the Outer Possessions has been covered in the following report from Assistant Trade Commissioner Carl H. Boehringer. In the Benkoelen residency (West Sumatra), tobacco cultivation is engaged in on a fairly large scale in the Redjang and Sindanmargas, a subdistrict of Redjang. The so-called Moesi tobacco is planted here and the product is very much in demand by the population. The tobacco production for 1929 was larger in Redjang than in 1928—namely about 71,225 kilograms in 1929, against 33,043 kilograms in 1928 and about 43,470 kilograms in 1927. The increase in production was due to the fact that the natives paid more attention to tobacco when coffee prices began to fall in 1929. The prices varied between Fl. 45.00 to Fl. 60.00 per picul. The product goes largely to Palembang.

In the Palembang residency, in South Sumatra, the cultivation of the formerly well-known Ranau tobacco in the sub-district Moeara Doewa was gradually pushed out by coffee cultivation. The crop in 1929 was

(Continued on Page 18)

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

GENERATION:—45,903. For all tobacco products. May 5, 1931. Consolidated Litho. Corp., Brooklyn, N. Y.

NICKEL KING:—45,904. For all tobacco products. May 28, 1931. Consolidated Litho. Corp., Brooklyn, N. Y.

TRANSFERS

SPANISH BLEND:—24,427 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobacco. Registered May 20, 1912, by The Moehle Litho. Co., Brooklyn, N. Y. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to the Continental Cigar Corp., Scranton, Pa., June 19, 1931.

STRATHMORE:—22,556 (U. S. Tobacco Journal). For cigars, cigarettes and cheroots. Registered May 10, 1900, by American Exchange Cigar Co., New York, N. Y. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to the Continental Cigar Corp., Scranton, Pa., June 19, 1931.

CONTRIBUTOR:—(Tobacco Leaf). For cigars. Registered October 20, 1897, by Isidore Berg, New York, N. Y. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to Continental Cigar Corp., Scranton, Pa., June 19, 1931.

RANCHO:—114,208 (U. S. Patent Office). For cigars. Registered December 5, 1916, by American Exchange Cigar Co., New York, N. Y. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to Continental Cigar Corp., Scranton, Pa., June 19, 1931.

EL ROYANA:—24,689 (Tobacco World). For cigars, cigarettes, cheroots, stogies, chewing and smoking tobacco. Registered July 18, 1912, by Emze Cigar Co., Philadelphia, Pa. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to Continental Cigar Corp., Scranton, Pa., June 19, 1931.

HAMPTON ARMS:—28,197 (Tobacco World). For cigars, cigarettes, chewing and smoking tobacco. Registered September 22, 1913, by Moehle Litho. Corp., Brooklyn, N. Y. Through mesne transfers acquired by Samuel Mayers, Inc., and re-transferred to Continental Cigar Co., Scranton, Pa., June 19, 1931.

EAST INDIES TOBACCO PRODUCTION

(Continued from Page 17)

very small. In the sub-district Lematang Ilir, also in Palembang residency, the Agricultural Information Service experimented with the cultivation of Java tobacco.

In Bali, native grown tobacco was harvested from 5559 hectares. The most important center of the Bali industry is the sub-district Kloengkoeng where harvest was taken from 735 hectares. On the adjacent island of Lombok, the tobacco area was reduced somewhat in favor of the arachis cultivation. During 1929, the total exports from Bali and Lombok to Java and the Outer Possessions were 673 tons against 590 tons in 1928.

At first low bids were made for kampong krossok because the quality of the advance harvest tobacco was bad and the population continued to mix advance harvest tobacco which had had no rain with the late harvest tobacco. The competition between the buyers made the prices rise to a reasonable level so that the population realized sufficient returns. The average price at the auctions at Kasemak was Fl. 7.27 for the advance harvest and Fl. 11.46 for the late harvest. For well-treated and ripe krossok, which had had enough rain the estates paid up to Fl. 20.00 per picul. (One florin equals U. S. $0.40; one picul equals 136.156 pounds.)

According to Koite Berichten (February 6, 1931), official organ of the Netherland East Indies Department of Agriculture, Industry and Commerce, the tobacco exports from Java and Madura during 1930 amounted to 131,280,000 pounds, compared with 123,784,000 pounds in 1929. As usual, most of the crop was shipped to the Netherlands where it was sold on the international markets of Amsterdam and Rotterdam to many countries of the world. Small quantities of the krossok grades, however, were sold direct to France, Spain, Indo China, and Algeria.

Exports of leaf from Sumatra and other Outer Possessions amounted in 1930 to 39,978,000 pounds, compared with 37,505,000 pounds exported in 1929. The Sumatra crop is also sold in the Netherlands, very few direct sales being consummated. The total leaf exports from the Netherland East Indies in 1930 amounted to only 161,289,000 pounds, a decrease of 6 per cent. over the previous year. With the exception of cut tobacco sold in moderate quantities to the Straits Settlements, the exports of tobacco products from the Netherland East Indies are unimportant.

Owing to a rather important cigarette industry in Java and Madura which has grown up since the World War, these islands have an import trade in leaf tobacco amounting to 13,376,000 pounds annually, 61 per cent. of which comes from the United States. Neither

RETAIL BUSINESS EXCEEDS $53,000,000,000

CENSUS of distribution figures show that annual sales through retail stores in the United States amount to approximately $50,000,000,000, while total retail sales through all channels exceed $53,000,000,000, the $3,000,000,000 being accounted for by direct sales of manufacturers and other producers. This stupendous figure is nearly two-thirds of the unofficially estimated total annual income of the country from all sources, and five times the value of the average annual farm crop.

The census figures show that there are 1,549,000 retail stores in the forty-eight States and the District of Columbia, or 12.6 per 1000 inhabitants, and that the average store does an annual business of $32,297. The average per capita purchases at retail amount to $407.52, which indicates average retail purchases per family (of three to five persons) of from $1250 to $2000 annually. However, the retail store purchases of the several States varies greatly, from a minimum of $172 per capita in South Carolina to a maximum of $575 in California and New York. These figures are based on a field canvass during 1930 of every city, town, and rural area in the United States, and reflect the retail business of the year 1929. They cover all stores, restaurants, filling stations, and other retail establishments, except strictly service businesses.

The figures show that the average number of stores per 1000 inhabitants in the several States varies from a minimum of 8.1 in Alabama to a maximum of 15 and more in California and other States, and the average sales per store range from $19,827 in South Carolina to $39,715 in Michigan.

CONSOLIDATED CIGAR DIVIDEND

The Consolidated Cigar Corporation has declared regular quarterly dividends of $1.75 on the preferred stock payable September 1st to stock of record August 15th, and $1.62½ on the prior preferred payable August 1st to stock of record July 16th.

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VOLUME 51 NO. 15

THE TOBACCO WORLD

Autokraft Keeps Step With Change and Competition

This is an age of constant change and ceaseless competition, and those who would make progress must recognize this fact.

AUTOKRAFT has not been satisfied to produce wooden boxes that merely meet the requirements of a cigar container; it has sought, and is seeking, to answer the appeal of the times for something better, something new.

Because years of experiment and experience have demonstrated the natural affinity between wood and tobacco, its research department has expended years of effort to develop a superior, and at the same time economical, wooden container for cigars.

The new AUTOKRAFT wooden cigar box has been designed to fulfill more than the ordinary needs of such a package. Those who keep pace with progress should learn in detail of its unusual merits and economies.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

ASK YOUR RETAILER

What cigars sell the quickest, those packed in Wooden Boxes, or those in other containers.

Watch a Cigar Smoker when he buys his smokes. See him peer through the showcase comparing the cigars by their size, shape and color.

Wooden Boxes keep cigars in the best condition from maker to smoker. The porous cigar box wood absorbs excess moisture and adds to the cigar's own aroma the natural fragrance of the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 15

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, AUGUST 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

THE cigar withdrawals for the month of June, 1931, would seem to indicate that the decline is being checked. At the same time it should be observed that the withdrawals for June, 1931, are the lowest of any June since 1920. We offer in evidence the records as reported by the Internal Revenue Bureau from June, 1920, to June, 1931, inclusive.

Cigar Withdrawals for the Month of June

1920	708,112,284	1926	576,561,866
1921	618,495,102	1927	576,527,570
1922	615,264,023	1928	575,995,733
1923	591,514,124	1929	556,746,375
1924	562,731,556	1930	519,599,166
1925	569,743,013	1931	517,513,659

These figures indicate that in the month of June the cigar withdrawals have declined in a period of twelve years more than 190,500,000 in just one of the twelve months of the calendar year.

Of course, June, 1920, represents a peak which may never be reached again by the cigar industry in any June to come. At least the twelve-year record offers small encouragement, despite a growing population which by the law of averages should have continually increased the June, 1920, withdrawals with allowances, of course, for the present dull period of business.

Now, obviously the entire blame for this continuous decline cannot be laid at the door of the nonporous, transparent wrapper.

We have received many letters which bring up many other points relative to the decline in cigar consumption, and they will be accorded space in THE TOBACCO WORLD in due time.

We are firmly of the belief, however, that while the cigar industry should anticipate the normal decline in business, due to conditions that it has, and is, suffering more than its fair share in this present situation.

Experiment has shown, with not only one but with a number of brands, that experienced smokers immediately detect a definite difference in the taste of cigars packed in the lucid wrapper, and those packed in their natural wrapper.

One or more communications call attention to the number of half-smoked cigars discarded in the streets, smoking cars, restaurants, etc.

We coin no new term when we say that cigar smokers are seeking "smoke satisfaction." And they are certainly not receiving it, or they would be smoking more cigars and consuming "to the last inch" the brand for which they have spent their good money.

No cigar manufacturer has written to assert that the nonporous, transparent wrapper benefits the smoking quality of any cigar brand, and a number have frankly admitted by letter and in personal interview that it does definitely change the character of the smoking qualities of the cigar. And yet they are perfectly willing to stand by, indifferent to their declining industry, without the courage to approach the smoker with the real facts.

The cigar manufacturer has through his advertising and radio programs the opportunity to reach the smoker with his view of the problem of the merits and demerits of the non-porous, transparent wrapper. He stands idly by, apparently perfectly willing to let the smokers of cigars "kid" themselves with the idea that the protective value of the lucid covering is all there is to "smoke satisfaction."

The ignorance of the smoker is exemplified by the following incident: A smoker who buys expensive Havana cigars, made in Tampa, called on his supplier recently and ordered a thousand. He raised the question as to the nonporous covering. The manager said, "I won't advise you, but just read this editorial and the accompanying letters in this trade journal." The customer did so. He then said, "Notify the factory that my order is to be filled only if the cigars are supplied in their natural wrappers. And also understand that all future orders for my account are to be filled in the same way."

In the conversation which followed, the customer, who is a man of wealth and who purchases fine sizes, stated that he had noticed that since his cigars had been received in the transparent covering they had not tasted right. He thought it was his stomach, perhaps. And he never for a moment gave any thought to the fact that the transparent wrapper was a protection for the cigars he carried in his pocket. In other words he had entirely missed the main argument for the nonporous covering. He felt that something was wrong with his cigars, but he didn't know what it was.

When this fad passes, as it must eventually if the cigar industry is to continue, the cigar smokers will

(*Continued on page 15*)

PHILADELPHIA.

BUSINESS GOOD ON "HAVANA RIBBON"

AT Bayuk headquarters, Ninth Street and Columbia Avenue, we learn that the Bayuk "Havana Ribbon" perfecto extra, which has recently been placed in the five-cent class, is enjoying a splendid sale and orders are coming in regularly and in good volume.

E. Sharrock, Philadelphia district sales manager, has returned from a sojourn to the seashore points with the usual healthy coat of tan and every evidence of having had an enjoyable vacation.

A. Pollack, well-known leaf tobacco broker, of Havana, Cuba, was a recent visitor at the Bayuk factory.

Charles L. Steffins, Ohio territorial manager for Bayuk Cigars, Incorporated, was in Philadelphia recently and dropped in at headquarters, as was also F. J. Goodwin, branch manager of the Boston district for Bayuk.

E. Cooper, accompanied by Mrs. Cooper, was a visitor also at the Bayuk factory last week. Mr. Cooper is auditor at the Grand Rapids branch of Bayuk Cigars, and is spending his vacation in the East.

S. A. Salzman, Cleveland, Ohio, Bayuk salesman, is also spending his vacation in the East and took the interesting trip through the Bayuk factory.

CHANGE TRAYS ADVERTISE "ROYALIST"

Grabosky Brothers, Incorporated, manufacturers of the "Royalist" brand, are placing change trays on the retailers' counters which are calling the attention of the smokers to the "Royalist" brand with considerable success. The color of the change tray is royal purple, which makes it very attractive.

"Royalist" cigars are being seen in new placements each week and the amount of repeat orders that is being received at factory headquarters is very gratifying.

CONGRESS CIGAR EARNINGS

Congress Cigar Company reports net profit of $128,539, or thirty-seven cents a share, in the second quarter of 1931, as compared with $222,911, or $1.11 a share, in the same quarter of 1930.

Profit for the first six months of 1931 totaled $351,450, or $1 a share, as compared with $656,889, or $1.87 a share for the first six months of 1930.

"DAWN" REPRESENTATIVE IN TOWN

C. L. BIRMINGHAM, representative of the Court Tobacco Company, New York City, was in town last week visiting the better class retailers and drug stores in the suburban and central city areas in the interest of the new "Dawn" cigarette.

Yahn & McDonnell are the distributors for this new brand in Philadelphia and surrounding territory, and this cigarette has met with an enthusiastic reception from the retailer and the consumer. The cigarette is ignated by rubbing the end of the cigarette on a specially prepared strip on the package, and it is claimed by the manufacturers that this method of ignition preserves the full flavor of the high grade tobaccos contained in these cigarettes.

"CRESCENT CLUB" NEW BRAND FOR A. & H.

The A. & H. Trading Corporaiton, 1018 Filbert Street, cash and carry distributors of tobacco products, candy, etc., are placing their controlled brand "Crescent Club" with the retail trade with considerable success.

The "Crescent Club" is a full size perfecto shape cigar, packed in boite nature cedar boxes and retails at five cents each, and repeat orders are being received on this brand from its many placements. Application has been made for registration of the title.

YAHN & McDONNELL REPORT INCREASE

At Yahn & McDonnell headquarters, 617 Chestnut Street, largest Philadelphia distributors of cigars and tobacco products, they report the good news that the month of June, 1931, showed a substantial increase in sales of their products as compared with the same month of 1930, which would seem to indicate that all that is needed to knock "Old Man Depression" off his feet is a little hard work.

"Optimo" cigars comprise no small part of the sales of Yahn & McDonnell and they enjoy a very large sale in this territory.

MANNIE PEREZ A VISITOR

Mannie Perez, of Marcelino Perez & Company, Tampa manufacturers of high grade made-in-bond clear Havana cigars, was in town recently visiting the trade. Mannie has never let anyone convince him that the "repression" is on, and he left with a goodly volume of orders for his factory.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Everyone has an Adam's Apple—Every man—every woman has one. Touch your Adam's Apple with your finger. You are actually touching your larynx—this is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords.

"TOASTING" expels certain harsh irritants present in all raw tobaccos. These expelled irritants are not present in your LUCKY STRIKE—the modern cigarette. We sell these expelled irritants to manufacturers of chemical compounds. Everyone knows that sunshine mellows—that's why the "TOASTING" Process includes the use of Ultra Violet Rays. LUCKY STRIKE—made of the finest tobaccos—the Cream of the Crop—THEN—"IT'S TOASTED" an extra, secret and exclusive heating process. It is this process that expels these harsh irritants. No wonder 20,679 American physicians have stated LUCKIES to be less irritating. No wonder LUCKIES are always kind to your throat. And so we say "Consider your Adam's Apple." Be careful in your choice of cigarettes.

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

"It's toasted"

Including the use of Ultra Violet Rays

Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

© 1931, The American Tobacco Co., Mfrs.

FALLON JOINS E. A. KLINE COMPANY

ON AUGUST 1st, Frank Fallon, well-known salesman of "Partagas" imported cigars, joins the force of E. A. Kline & Company, Incorporated, manufacturer of the "Medalist" brand, as vice-president and director of sales and distribution.

However, Mr. Fallon will continue to represent the "Partagas" factory in Havana as there is no objection on the part of Mr. Kline or the "Partagas" factory to such an arrangement, as the two brands are not judged to be in direct competition with each other.

Mr. Fallon's long experience with sales and distribution of high grade imported cigars makes him peculiarly fitted to handle the sales and distribution of the high grade product of the E. A. Kline Company, and Mr. Kline has shown his confidence in his new executive by sailing for Europe on Wednesday of last week looking as though he had not a care in the world.

"Medalist" sales may be expected to show a marked increase in the near future under the able guidance of Mr. Fallon, and both he and Mr. Kline are to be congratulated on their new arrangement.

CUBAN SALES SLOW—EXPORTS DROP

According to a recent report of tobacco conditions in Cuba by Assistant Commercial Attache Albert F. Nufer, the 1931 tobacco crop has been harvested, cured and selected. While the crop is large and the percentage of good grades higher than last year, the demand has been unsatisfactory, and prices not remunerative.

This is believed to be due to a substantial carryover of stocks from last year's crop, curtailed purchases from abroad, and to the reduced consumption by local cigar manufacturers as a result of their decreased sales volume.

Cuba's exports of tobacco and tobacco products duing May were valued at $1,925,502 as compared with $2,828,355 during May, 1930, a drop of about 32 per cent. Exports of leaf tobacco totaled 3,270,035 pounds as against 3,274,422 pounds in May, 1930. Cigar exports dropped from 5,764,588 units during May, 1930, to 4,910,162 in May of this year, and cigarettes from 11,642,344 units to 5,152,384.

BAYUK CIGARS REPORT

Bayuk Cigars, Inc., reports net income for the three months ended June 30, 1931, of $225,350, equivalent after reserves and preferred dividends to seventy-seven cents a share on 91,559 shares of common stock outstanding.

This compares with net income in the second quarter 1930 of $259,988, equivalent after reserves and preferred dividends to $1.01 a share on 92,557 shares of common stock outstanding at that time.

Net income for the six months of 1931 totaled $372,473, equivalent, after reserves and preferred dividends, to sixty-seven cents a share on common stock, as compared with $1.79 a share on 92,551 shares of common for the first six months of 1930.

MANUEL TRELLES SAILS FOR EUROPE

Manuel Trelles, of the firm of M. Trelles & Company, New Orleans manufacturers of the high grade "El Trelles" cigars, sailed for Europe last week from New York City for a visit to his old home in Spain. Mr. Trelles will stop off in Cuba on his return to look over the Havana leaf situation there.

The "El Trelles" brand enjoys a wide sale in the southwestern states, where this high grade Havana filled brand has been a staple brand for many years.

GILLETTE-UNITED SUITS ADJUSTED

THE Gillette Safety Razor Company last Friday announced the settlement of the large countersuits brought against each other by that company and the United Cigar Stores Company of America.

The $10,000,000 action by Gillette against the United and of the $7,000,000 suit of the latter against the razor company have been adjusted out of court by the payment of $1,900,000 to the United and cancellation of the long-term contract between the two.

Stafford Johnson, treasurer of the Gillette Company, in making the announcement, said that the former friendly business relationships between the two had been resumed, with the United Cigar Stores Company continuing to sell Gillette products on the same basis as other customers.

The Gillette Company last May began suit in the Supreme Court of New York State for $10,000,000 alleged damages for asserted misrepresentations on the part of the cigar chain. The Gillette Company claimed, in effect, that in the negotiations leading up to the contract, the cigar company had led the Gillette officials to believe that their potential retail outlet for Gillette products was greater than, in fact, it was.

The United countered with a suit instituted in United States District Court at Newark, N. J., by asking $7,000,000 for breach of contract. It charged the Gillette Company had defaulted on payment of $312,500 due for advertising displays and services rendered to the razor company during the preceding fiscal quarter year, and also alleged Gillette had repudiated its entire contract which still had six years to run.

Another suit in which officials and former officials of the Gillette Company have been involved was put over until October 5th. It was the $21,000,000 action instituted by minority stockholders against the 1930 directors of the company for their alleged manipulation of the company's stock preceding and during the negotiations for merger with the Auto Strop Safety Razor Company.

The stockholders claim the directors impaired the capital of the company to the extent of $13,000,000 and profited personally to the extent of $8,000,000.

The case has been before Judge William M. Prest, sitting as a master for the Supreme Court, for several weeks. With the consent of counsel for both sides, he adjourned the case until October.

CHRISTIAN PEPER CIGARETTE FOR I. R. T. A.

Directors of the Independent Retail Tobacconists' Association have agreed on a contract with the Christian Peper Tobacco Company, of St. Louis, to sell "Fifth Avenue" cigarettes, and orders for that brand will be placed immediately. The I. R. T. A. members will have the exclusive rights to the sale of this new cigarette, which will retail at fifteen cents a package.

The new brand will be packed in an attractive red and white package, and the manufacturers are rapidly completing plans for the production of the brand. It is anticipated the brand will be ready for the members of the I. R. T. A. in the early fall.

SANTAELLA IN NEW YORK

A. Santaella, head of A. Santaella & Company, Tampa manufacturers of the "Optimo" brand, arrived in New York City last week, with his family, and will spend the summer in the North, returning to his Tampa home in the fall.

Of course CAMELS are milder THEY'RE FRESH!

HAVE you noticed how women everywhere are switching to the fresh mildness of Camels? Always a great favorite with the ladies, this famous blend is more popular now than ever, since the introduction of the new Humidor Pack.

If you need to be convinced, make this simple test yourself between a humidor fresh Camel and any other cigarette:

First, inhale the cool fragrant smoke of a perfectly conditioned Camel and note how easy it is to the throat.

Next, inhale the hot, brackish smoke of a parched dry cigarette and feel that sharp stinging sensation on the membrane.

The air-sealed Humidor Pack keeps all the rare flavor and aroma in and prevents the precious natural tobacco moisture from drying out. Important too, it protects the cigarette from dust and germs.

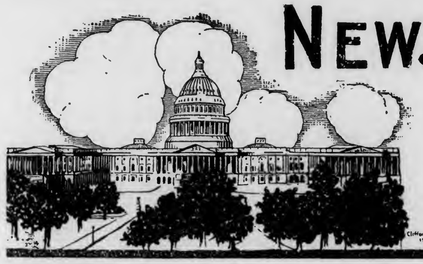
Switch to Camel freshness and mildness for one whole day, then leave them — if you can.

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

CAMELS

NO CIGARETTY AFTER-TASTE

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

DECLARING that the United States Supreme Court, in its decision of May 18 holding valid the Indiana statute providing for the taxation of chain stores differently from individual stores, labored under a "misapprehension" as to the issues involved, counsel for the estate of Lafayette A. Jackson, plaintiff in that case, have petitioned the Court for a rehearing.

The principle involved in the statute, it is declared in the petition, "involves a new and dangerous principle which strikes at the future progress and growth of American business, wholesale and retail." The decision of the Court, it is contended, places no limitation upon the power of the state to increase the amount of taxation upon the owner of two or more stores to an oppressive extent and to the point of destruction.

Enlarging upon these possibilities, it is pointed out that fifty-three bills to tax chain stores at "high and oppressive rates" were introduced in twenty-five States, the maximum being $2,700 a store provided for in a bill presented in the Massachusetts Legislature, while six bills levying taxes of $1,000 a store were introduced in Arkansas, Illinois, Pennsylvania, West Virginia and Wisconsin.

"All of these bills," it is declared, "are based upon nothing save the numerical feature. They make no classification except number of stores operated by any merchant. The threatened destructive legislation flowing through the door opened by the majority opinion in this court illustrates the extraordinary importance of the issues involved. This legislation also illustrates the threatened danger to American business involved in the permitted discrimination against and the taxation of the mere ownership of more than one store. If the States of the Union are permitted to tax oppressively the ownership of more than one store and choose to do so, the effect will be to place a girdle around the growth of mercantile business and to confine American storekeeping to one-store owners.

"Vast sums have been invested by the American people in various forms of merchandising which involve the distribution of goods through more than one store outlet," it is pointed out, "including groceries, meat, drugs, drygoods, cigars, soft drinks, shoes, hardware, furniture, jewelry, etc. There are thousands of Americans who own from two to twenty stores. There are comparatively few of the so-called national chain stores, and they are largely owned by a wide distribution of stock among thousands of small stockholders. The proposed legislation imperils both the investment of store owners in more than one store and the right of the owner of one store to expand his business and to add additional units for the purpose of employing capital and labor, efficient merchandising and serving the greatest good of the greatest number."

Calling attention to the fact that there are two other cases presenting different phases of the same subject on the docket of the court for argument early next fall, involving the North Carolina and Mississippi chain store tax statutes, the court is asked to grant a rehearing on the Indiana statute in connection with the hearing in those cases.

Enforcement of Marking Law on Imports Severely Criticised

Present enforcement by the Treasury Department of provisions of the new tariff law regarding the marking of the country of origin on articles imported into this country was subject to sharp criticism by representatives of domestic manufacturers before the Customs Bureau July 8.

At the same time, the bureau, which was conducting a general conference on the marking provision, was upheld by representatives of importing interests, who declared that they only asked that the section of the tariff law be enforced in a "safe and sane way."

John G. Lerch, attorney for domestic interests, told the bureau that he thought that the present attitude of the Treasury Department in exempting certain articles from marking would in a short time nullify that section of the tariff law. The marking laws, he asserted, were designed to further protect American industry, the general public and domestic labor.

Taking exception to decisions of the Treasury Department, which have allowed articles to be imported with only the container and not the individual article marked, the domestic representative declared that he did not deny that the department had the right to do this, but "that to do so ruins the intent of the marking laws." He added that the decisions of the department since the new tariff law was passed have entirely reversed the decisions handed down by the customs courts under the 1922 tariff, at which time the application of the marking laws was a matter for those courts to decide.

Replying to the criticism, Captain F. X. A. Eble, Commissioner of Customs, declared that the bureau wants to respect the courts and be fair to both domestic interests and importers. He objected, however, to "some decisions of the courts," holding that they were not right. For example, he asserted, the courts held that every individual cigarette paper or every shingle entering the country should be marked "when the article of commerce is the booklet of cigarette papers and the bundle of shingles."

J. D. Nevius, general counsel of the bureau, in explaining that body's actions, declared that it was his

(*Continued on Page 14*)

FREE!
LABOR DAY
Display Card
Send for it

Phil M. Phulofax,* D.B.I.
(the retailer's friend)
says:

(c) B. C., Inc., 1931
Reg. U. S. Pat. Off.

"Ring Up Your Labor Day Sales Before the Big Day"

NOW and then I hear a cigar retailer arguing that summer holidays are poison for business because so many of his customers beat it out of town. Why, that's one of the best selling cues I know of! Load up your holiday pleasure seekers before they go away. They smoke more cigars at such times than any other—and if you don't supply their needs, somebody else will.

Labor Day (Sept. 7th) is just 'round the corner. Right now is the time to begin reminding your customers that they'll need plenty of cigars for that auspicious Saturday-Sunday-and-Monday—and that it is only fair that you, their regular dealer, should be permitted to serve them.

To start things, I've had the ever-willing-to-help Bayuk people get up a bunch of Labor Day sales cards (see illustration above). I want to send you one. Send me your name and address IMMEDIATELY. A post-card will do. (Please print plainly.)

Display the card (which is 14" x 10") the minute it reaches you—on your counter—on your window—tied to your cash register—or anywhere it'll catch the eyes of your customers.

Dress your window with some attractive box and five-pack displays of your popular brands of cigars. Arrange some more on your counter. Have some of the boxes ready wrapped. Make up some packages containing two, three and four five-packs.

The difference between a fat and a lean summer-holiday week is merely a matter of how thoroughly a cigar retailer winds up his thinker and limbers up his fingers.

P. S.—You haven't any time to lose. This minute write on a post-card, "Send Labor Day display card," and address it to "Phil M. Phulofax, c/o Bayuk Cigars, Inc., Ninth St. and Columbia Ave., Philadelphia, Pa."

Phil M. Phulofax* D.B.I.

★ *Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

BAYUK BRANDS
BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR
BAYUK MAPACUBA
BAYUK HAVANA RIBBON
PRINCE HAMLET
CHARLES THOMSON

NEWARK ASSOCIATION CONDEMNS IMITATION OF BAYUK BRANDS

CONCRETE evidence of the spirit of fair play that is increasingly manifest in the tobacco industry is shown in action recently taken by the Tobacco Salesmen's Association of Newark, N. J., condemning acts of misrepresentation employed in the sale of cigars. This action of the Newark body took the form of a resolution, unanimously adopted, referring primarily to the granting of preliminary injunctions to Bayuk Cigars, Incorporated, of Philadelphia, in two cases involving the use of the well-known names, "Phillies" and "Philadelphias," for cigars.

The Newark group which is composed of salesmen selling competitive products, has among its aims the development of good will among its members and the furtherance of a spirit of honesty and fair play within the industry. In keeping with this spirit, the following resolution was drawn up and passed without a dissenting vote:

"Resolved: that the Newark Tobacco Salesmen's Association Branch No. 3 of the National Board of Tobacco Salesmen's Association of America strongly condemn and censure those who are selling brands of cigars, whose brand names include the word Philadelphia, representing by direction or inuendo, those brands to be the product of Bayuk Cigars, Inc.

"Be it further resolved: htat wherever and whenever such misrepresentation comes to the attention of the members of this Association, they reveal and make known such practice to the storekeeper."

SELLING CIGARS LEGALLY

Dealers in serving cigars usually offer the entire box in order to let the customer make his own selection, says *Pathfinder* magazine. Many persons believe that this practice is due to the fact that a Federal law makes it illegal to return cigars to the box after they have been removed. There seems to be no reason for the practice other than the desire on the part of the dealer to avoid handling the cigars, unless local sanitary laws require that the cigars be left in the box until taken out by the purchaser. No Federal statute or internal revenue regulation requires the dealer to hold out the box to enable the customer to pick out the cigars himself.

The Treasury Department says: "It is held that where a cigar dealer makes sales to customer and takes a handful of cigars from a box in his show case, lays them on top of the case for the customer to make a selection, and returns the unsold cigars again to the box, there is no violation of any internal revenue law or regulation." The dealer, however, would violate a provision of the law if he put other cigars into a box from which the revenue stamps had not been removed.

A Federal statute provides: "Whenever any stamped box containing cigars, cheroots, cigarettes, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps thereon."

CONNECTICUT HIT BY HAILSTORM

A terrific hail and windstorm struck the Connecticut tobacco fields on the evening of July 23d and swept a path of destruction three miles wide near Suffield.

Havana seed tobacco was the chief sufferer and this crop near Suffield was practically destroyed. The Broadleaf and Shade crop in that vicinity was also considerably damaged.

OTTO FRANKFORT HEADS BLUM FORCE

OTTO N. FRANKFORT, who has had wide experience in the advertising field, has joined the the forces of Harry Blum, manufacturer of the "Natural Bloom" cigar, as general sales manager, and will launch an aggressive campaign in the very near future to expand the distribution and sales of the "Natural Bloom" cigar.

Mr. Frankfort was born in New York and has spent twenty years with the Baron G. Collier organization, where he gained considerable experience in billboard advertising. Later he became associated with the Crossley Radio Corporation, where he directed their advertising with marked success for approximately five years.

Following that, he became associated with the All-American Mohawk Corporation as general sales manager, and his work with that concern proved highly successful. After that concern was merged with the Rudolph Wurlitzer concern, Mr. Frankfort continued to direct their radio sales for a time, but acting on an urge to return to his home State, he has become associated with the Blum organization.

Mr. Frankfort believes sincerely that the right product can be sold to the millions in this country, by the right methods, and he is planning a six weeks' tour of the Middle West cities to study conditions in the industry, and then a campaign will be launched to create new smokers for the "Natural Bloom" cigar.

SAM ZUCKERMAN DEAD

Sam Zuckerman, well known throughout the tobacco industry as a man who until recently was prominent in the pipe manufacturing field, passed away suddenly at his home in New York City, on July 22d. Mr. Zuckerman was found unconscious by his wife upon her return from a visit to her mother late in the evening of July 22d, and was pronounced dead by a physician who was summoned immediately.

Mr. Zuckerman had been associated with the pipe industry for nearly forty years and was at one time sales manager for William DeMuth & Company. Recently he became associated with the Jayco Importing Company, New York City.

Funeral services were held in Chicago, on July 27th.

A BUSHEL OF WHEAT FOR 40 CIGARETTES

Recent news reports from the Middle West state that the farmers in that section are returning to the system of barter in trading with merchants in that territory.

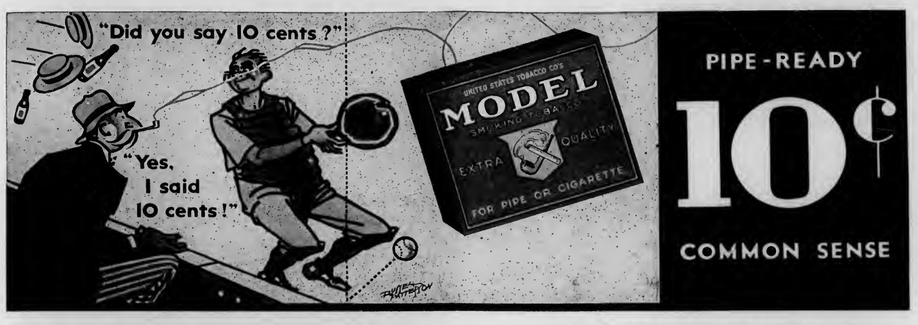
Years ago the system was in vogue of exchanging fur pelts, etc., for merchandise at the trading posts when money was scarce, and now a return to that system is again reported.

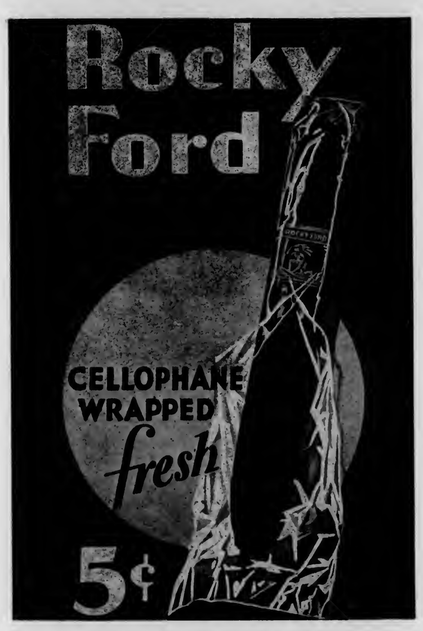
Now it is wheat, and it is being valued at two packages of cigarettes for a bushel.

CONSOLIDATED LITHOGRAPHING IN CANADIAN FIRM

The International Lithographing Company, Limited, has been organized by the Consolidated Lithographing Corporation, Brooklyn, and Lawson & Jones, Limited, of London and Ontario, Canada.

The new concern will manufacture cigar bands and lithography for the Canadian cigar and tobacco industry.





ZENO TO STUDY TOBACCO SITUATION

THE Hon. Francisco M. Zeno, Chairman of the Finance Committee, of the Senate of Puerto Rico, and Chief Executive of the Commission for the Protection of Puerto Rican Tobacco, is making an extended stay in the United States to study ways and means of increasing the use of Puerto Rican tobacco in this country.

During his stay here Senator Zeno will visit the more important tobacco districts and inspect many of the foremost factories, in order to observe the most modern methods of production, manufacture and distribution.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

According to a report of M. T. Saldana, Chief of the Tobacco Guaranty Agency in New York City, sales of internal revenue stamps for cigarettes for 1929-1930 and 1930-1931 fiscal years show an increase for the year 1930-31 of 39½% over the previous year. Sales of smoking tobacco stamps for the same periods show an increase of 101% in 1930-1931 over the previous year.

WALGREEN TO OPEN IN SMALL TOWNS

The Walgreen Company has organized the Walgreen Agency Company for the purpose of opening drug stores in cities of less than 5000 population.

"EDGEWORTH" IN WOMEN'S MAGAZINE

A RECENT issue of *Printer's Ink Weekly* says, "In the August issue of *Woman's Home Companion*, out this week, there is an advertisement for Edgeworth pipe tobacco. So far as can be determined, this is the first time that an advertisement for smoking tobacco has ever appeared in a women's magazine. It surprised even the Crowell Publishing Company.

"As everyone knows, the *Woman's Home Companion* does not take tobacco advertising. But no one had ever offered a pipe tobacco advertisement before. To carry its point, B. B. D. & O., the agency in the case made the assertion that *Companion* readers were not Edgeworth customers; that all the company wanted was to send a sample of the tobacco to wives so that they could pass it on to the men.

"Crowell thought it over, conferred with itself, agreed.

"Larus & Brother Company, manufacturer of Edgeworth, believes in sampling and alway has. So it developed this offer: a real cob pipe and a goodly sample of Edgeworth—free. Said the company, to itself, why not offer it to wives, show them that Edgeworth makes nice tractable husbands? All they have to do is send in the coupon."

The advertisement stated that if women would like to see their husbands smoke in an easy, tranquil, relaxed way, and for pleasure, to mail in the coupon and they would receive a generous sample of Edgeworth tobacco and a cob pipe, which they could present to their husbands.

PUERTO RICO EXHIBIT GREAT SUCCESS

By far the most commented upon, and by popular vote far and away the most attractive exhibit at the Second Annual American Fair in the Atlantic City Auditorium, Atlantic City, New Jersey, is the unique Puerto Rico exhibit. It occupies an entire corner in the giant auditorium. It reproduces a native cocoanut and pineapple garden, and has been most attractively arranged with native Puerto Rican plants and shrubs. Alongside of the garden bridge and colored fountain is a native Puerto Rican hut, where cocoanuts are sold "in native style." Puerto Rican fruits, cigars, perfumes, toilet waters, embroideries, suits, dresses and other products are on display and for sale. The entire exhibit is under the personal direction of Mr. William D'Egilbert, whose long experience with fairs and exhibitions make him an ideal head. The individual booths are beng attended by Puerto Rican girls whose personal charm and poise have added greatly to the preliminary success of the exhibit.

CIGARETTE INDUSTRY FAVORABLY SITUATED

In an analysis of the outlook for major industries during the last half of 1931, Standard Statistics Company of New York says of the cigarette industry: "We expect a second half sales record comparing well with that of 1930. Considering advantages secured from the recently instituted wholesale price increase, 1931 trade income should rise about ten per cent. over the 1930 level."

NEW FIRM TO MANUFACTURE LIGHTERS

Specialties, Incorporated, of Philadelphia, Pa., has been granted a charter in the State of Delaware, to manufacture and deal in cigarette lighters and containers. The company is capitalized at $10,000.

FISCAL YEAR WITHDRAWALS FOR CONSUMPTION

	Fiscal Year Ending June 30, 1930	*Fiscal Year Ending June 30, 1931*
Cigars:		
Class A—		
United States	3,603,874,685	3,623,910,300
Porto Rico	122,502,690	148,243,320
Philippine Islands	152,762,210	157,923,365
Total	3,879,139,585	3,930,076,985
Class B—		
United States	490,005,623	319,447,777
Porto Rico	3,875,780	3,021,500
Philippine Islands	2,223,909	1,438,271
Total	496,105,312	323,907,548
Class C—		
United States	2,073,175,176	1,615,865,734
Porto Rico	14,223,164	8,930,906
Philippine Islands	770,102	965,342
Total	2,088,168,442	1,625,761,982
Class D—		
United States	136,406,185	108,141,861
Porto Rico	48,700	50,200
Philippine Islands	9,036	9,990
Total	136,463,921	108,202,051
Class E—		
United States	25,184,183	19,281,960
Porto Rico	33,400	3,600
Philippine Islands	39,286	69,841
Total	25,256,869	19,355,401
Total All Classes:		
United States	6,328,645,852	5,686,647,632
Porto Rico	140,683,734	160,249,526
Philippine Islands	155,804,543	160,406,809
Grand Total	6,625,134,129	6,007,303,967
Little Cigars:		
United States	402,014,866	360,858,800
Porto Rico	8,000,000	7,050,000
Philippine Islands	.....	.....
Total	410,014,866	367,908,800
Cigarettes:		
United States	119,935,433,264	119,632,271,950
Porto Rico	2,913,020	18,671,000
Philippine Islands	2,996,570	2,250,943
Total	119,941,342,854	119,653,193,893
Large Cigarettes:		
United States	9,041,734	6,354,483
Porto Rico	3,212,400	2,360,000
Philippine Islands	.....	6,800
Total	12,254,134	8,721,283
Snuff (pounds):		
All United States	40,645,689	40,002,589
Tobacco, mfd., (pounds):		
United States	335,100,599	324,268,862
Philippine Islands	2,212	1,579
Total	335,102,811	324,270,441

JUNE CIGAR PRODUCTION SLIGHTLY OFF

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of June, 1931, and are issued by the Bureau. (Figures for June, 1931, are subject to revision until published in the annual report):

Products	*June, 1930*	*June, 1931*
Cigars (large):		
Class A.....No.	301,270,285	360,743,270
Class B.....No.	38,273,343	11,557,014
Class C.....No.	168,042,238	136,112,290
Class D.....No.	10,671,079	8,105,331
Class E.....No.	1,342,221	995,754
Total.....	519,599,166	517,513,659
Cigars (small).....No.	34,581,493	38,016,521
Cigarettes (large)....No.	609,629	567,930
Cigarettes (small)....No.	11,750,524,523	11,508,062,422
Snuff, manufactured..lbs.	2,872,584	3,334,973
Tobacco, manufact'd..lbs.	28,066,893	27,751,364

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of June:

Products	*June, 1930*	*June, 1931*
Cigars (large):		
Class A.....No.	12,374,350	12,923,350
Class B.....No.	368,850	132,750
Class C.....No.	455,334	441,350
Class D.....No.	.....	15,000
Total.....	13,198,534	13,512,450
Cigars (small).....No.	1,000,000	1,500,000
Cigarettes (large)....No.	200,000	350,000
Cigarettes (small)....No.	1,100,000	500,000

Tax-paid products from the Philippine Islands for the month of June:

Products	*June, 1930*	*June, 1931*
Cigars (large):		
Class A.....No.	11,970,745	16,764,940
Class B.....No.	149,727	85,090
Class C.....No.	131,070	41,198
Class D.....No.	76	60
Class E.....No.	10,000	100
Total.....	12,261,618	16,891,388
Cigarettes (small)....No.	221,030	208,000
Tobacco, manufact'd..lbs.	220	112

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

CONSOLIDATED CIGAR EARNINGS INCREASE

The Consolidated Cigar Corporation reports increased earnings for the June quarter this year over the like period of 1930. Net profit for the June quarter this year was $615,686, equivalent to $1.59 a common share, as compared with $584,787, or $1.41 a share for the same quarter of 1930.

POSTMASTER
CIGAR
NOW IN 100⁵ WOOD BOXES

This
popular 2 for 5c cigar
Cellophane Wrapped
IT PAYS TO DISPLAY THEM

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

interpretation that the marking laws were for the purpose of protecting the American public and informing them of the origin of the goods they are buying and not to give domestic articles added protection.

Presenting the views of the importers, James Bevans of the American Council of Importers and Traders, New York City, held that the bureau should enforce the laws in a sane, reasonable way. The very purpose of the revision of those laws in the new tariff act was to make the marking provisions more liberal, he said, and to return to the Treasury Department the jurisdiction it had prior to the Tariff Act of 1922.

"The domestic interests have regarded the marking provisions as a protection to themselves," said the importers' representative, "while anyone who has studied the history of the laws knows that this was not their purpose." He agreed with General Counsel Nevius' interpretation of the laws.

Mr. Bevans held that where the marking operation costs more than 10 per cent. of the value of the product the laws should not be made effective and that the marking of a container, when individual articles come in such containers is all that is necessary under the laws.

World Depression Reflected in Our Foreign Trade Figures

Effects of the world depression are vividly reflected in figures covering our foreign trade for the fiscal year ended June 30, last, just compiled by the Department of Commerce.

Exports for the period totaled $3,083,419,000, a drop of more than $1,600,000,000 from the total of $4,693,624,000 reported for the fiscal year 1930 and nearly $2,300,000,000 under the 1929 exports of $5,373,456,000 the department reported.

Imports for the fiscal year amounted to $2,434,618,000, a decline of more than $1,410,000,000 from the 1930 total of $3,848,971,000 and nearly $1,860,000,000 under the 1929 total of $4,291,887,000.

Reaching the lowest total recorded for any month since September, 1914, merchandise exports in June dropped to $187,000,000, while imports also dropped, to $176,000,000, but did not quite reach the low figure for the present depression, $174,946,000, recorded last February.

Exports from every State in the Union except Kansas last year declined materially from their 1929 level, it is disclosed by a study of the relative standing of the various States in the export field.

Kansas showed an increase in exports from $23,805,710 to $28,416,467, but New York, for years the leading export State, alone showed a decline of more than $250,000,000, with shipments totaling $695,800,402 against $956,755,282.

New York was followed in exports by Texas, with a total of $506,083,298 against $657,559,600 in 1929; California, $304,876,298 against $380,344,112; Pennsylvania, $273,637,016 against $340,843,339; Illinois, $200,909,613 against $238,762,882; New Jersey, $186,840,362 against $262,699,217; Michigan, $184,353,941 against $355,300,020; Ohio, $165,557,828 against $221,916,976; Louisiana, $151,971,581 against $221,272,346, and Massachusetts, $93,583,274 against $111,531,026.

NEW VENDING MACHINES INVENTED

CHARLES H. MARTIN, of 21 Besse Place, Springfield, Mass., has invented a number of automatic vending machines to dispense cigars, cigarettes, and tobacco, including one that sells a single cigarette for a cent and furnishes a light also.

Mr. Martin plans to put these machines up in cabinets of various sizes for installation in factories, garages, filling stations, theatres, etc.

These will not be sold, but will be rented to wholesale distributors of tobacco products, who will install and service them.

The various units are made to conform to the requirements of the Internal Revenue Department. The single cigar and single cigarette machines vend from the statutory package, and the stamp, brand, and factory notice are in plain view for inspection at all times. The purchaser can also see the merchandise to the last piece.

With each cabinet of machines there are installed several electric-lighting elements, so that the danger from matches around factories and filling stations is eliminated.

Mr. Martin says, "A complete tobacco and cigar store may be installed in a space 5 by 6 feet by 10 inches.

Drop the proper coin in the slot, turn the handle, and get a single cigarette for a cent, a package of twelve cigarettes for a dime, a package of tobacco for a dime, a single five-cent cigar, a single ten-cent cigar, or three pipe cleaners for a penny.

These ten states accounted for more than $2,750,000,000 of the country's total exports, and showed a decline of very nearly $1,000,000,000 from their 1929 totals.

A number of shifts in relative standing occurred during the year, indicated by Pennsylvania's advance from fifth to fourth place, Illinois' advance from seventh to fifth, and Michigan's drop from fourth to seventh.

Increase in Size of Parcel Post Packages Approved

Increases by the Postmaster General in the limit of size of parcel post matter from 84 to 100 inches in length and girth combined and in the weight for single parcels from 50 to 70 pounds when destined for delivery in the fourth to eighth parcel post zones, inclusive, were approved by the Interstate Commerce Commission July 10.

Authority also was given to establish a minimum charge for parcels measuring over 84 inches at the zone charge for a 10-pound parcel. The department estimates that the changes will attract additional parcel post business, increasing revenues about $3,500,000 a year.

The proposals approved were made by the department in its application to the commission for a general rate revision. The plan to increase the size and weight limits was separated from the rate case, on which hearings have been postponed until fall.

The proposal to increase the size of packages was vigorously opposed by the express companies on the ground that it would tend to increase the competition of the Government for their traffic. Representatives of mail order houses and the American Farm Bureau Federation urged that opening the mails to the larger sized packages and the extension of the 70-pound limit to more distant zones would be of benefit to the postal service and the users of the mails.

Editorial Comment

(Continued from Page 3

have a perfect right to indict the manufacturer for keeping him in ignorance of the facts. A physician would be in a heluva predicament if he gave a man medicine and told him it was a fine thing for him, when he already knew that it was not what it should be—and the patient found it out!

As one letter, printed on another page points out, why do the cigar manufacturers spend large sums of money to offer the smoker the very best tobacco procurable for the money and then do things to it that destroy the very factors which contribute to the pleasure of cigar smoking?

"The smoker demands it," is the hoary answer. That doesn't prove anything. The smoker is demanding it because the cigar manufacturer has told him what a wonderful thing the transparent wrapper is before he knew himself. It looks pretty, offers an opportunity for camouflage, and offers protection against breakage. But if it contributes to a revulsion against cigar smoking, it isn't any good.

The cigar manufacturer has let himself in on this proposition, and if he wants to see his business increase rather than decline, it is high time that he gets rid of his magnifying glasses and starts to use a microscope.

And the cigar manufacturer who can afford to buy fancy tobaccos, can equally well afford to offer his cigars in their natural wrappers and in containers that contribute something to the cigar, rather than—to put it charitably—a neutral package which has no affinity for tobacco.

SLOGAN CONTESTS EVOKE ADVERTISING COPY

ADVERTISING men watch with interest the development of nationwide slogan contests which are resulting in advertising copy written by citizens in all walks of life who may hardly know what the word "copy" signifies technically.

In these competitions the butcher, the baker and candlestick maker, without technical training in advertising, are making good as advertising writers, and the winners are being well paid for their efforts. Mr. Alexander J. Leclair, tool and gauge inspector, Claremont, New Hampshire, writes twenty words on the merits of sanitary manufacture and good tobacco in "Cremo" cigars, as snappy as anything produced by professionals in one of the great national agencies.

The "Cremo" Contest offers the award of an automobile daily except Sunday, for the best twenty word statement about "Cremo" cigars, written on the backs of twenty "Cremo" cigar bands. Names of winners are announced during the six-night-a-week broadcasts of Arthur Pryor's "Cremo" Military band, and they are given the choice of a new Chrysler "Plymouth," Ford, or Chevrolet automobile.

Twenty words as a limit means that Mr. Leclair must provide clear, precise, snappy copy. He does.

"Three clean hits, quality, economy, cleanliness, score the winning runs to make Certified Cremos champions of all five cent cigars," he writes and wins a new Ford.

PHIL M. PHULOFAX GIVES MORE POINTERS

EVERY once in a while some cigar retailer sends in a letter addressed to Bayuk Cigars, Inc., Philadelphia—with which firm I'm associated—saying:

"It's all very well for Phil M. Phulofax, D. B. I., to go gallivanting around the country getting material for his sales messages that appear regularly in the advertising pages of the leading cigar trade publications. But what can a man like him learn about the difficulties of the cigar business in a certain town when he stops off there for only a few hours? What I'd like to have him do is to spend a couple of days in *my* store—and then see what he'd have to say about how I can buck up my business!"

Well, all I've got to say is this: no man can know all there is to know about the cigar business. I'm the last man in the world to set myself up as a Mr. Infallible. But anybody who circulates around over the whole country, going to little towns and big cities, at least gets to the point where he has some sort of a decent perspective on the business as a whole. He gets past the point where he "can't see the forest for the trees."

No one knows better than I do that there are a lot of trees that loom mighty big on the business horizon of you cigar retailers. But I also know that there are ways of getting around them when they're too big to chop down. And one of those ways is to stop sitting and thinking too much about how big they are.

Now, I'm a practical cigar man and not a preacher, even though some of my friends in the trade occasionally say that I am worthy of my degree, D. B. I. So, when I see a man completely buffaloed by the sight of a few problems, I can't help feeling sure he'd find a way out if he'd just stop looking too hard at his own trees and try looking around at some of those that are shutting off his fellow-businessmen's view of the rising sun. If he'll study them and see how the other fellows are meeting them; keep his eyes and ears open for new ideas; take advantage of all the selling tips and sales messages that come his way, whether from people like me or anybody else; he'll find, first thing he knows, that he's got his own answers to his own problems.

And when you come right down to it, those are the only answers that are 100 per cent. efficient for any specific case. For—to fall back on that old wiseacre Buddha—"Men must work out their own salvation." And that goes for men in the cigar business just as much as it does for men anywhere else in this generally muddled old world.

Mr. John W. Davy, San Francisco, Cal., bricklayer, inscribes on the backs of twenty "Cremo" bands: "Luxury with economy, Cremo's sanitary manufacturing gives the public a fine, high quality and safe cigar, at only five cents," and receives a Chevrolet worth approximately $40 a word.

Housewife and physician, clerk and judge, they all write good "Cremo" ads. Contests conducted by toothpaste makers, yeast promoters and soap manufacturers produce similar impressive results. Advertising experts regard these contests as an indication that the American public has become sufficiently imbued with the spirit of modern advertising to write effective advertisements.

Cigars In Natural Wrapper And Packed With Spanish Cedar Improve Smoking Qualities, Say Readers

(Some of our readers have contributed further to our discussion regarding the merits and demerits of the nonporous wrapper. Some have digressed, but we print their letters in fairness to them, and without assuming any responsibility for the views expressed.—Ed.)

July 6, 1931.

TOBACCO WORLD,
236 Chestnut Street,
Philadelphia, Pa.

DEAR EDITOR:

David again slinging a pointed stone against the well-known brow of Goliath.

I like your Editorial in THE TOBACCO WORLD very much. Not only that part that dwells on the "pleasant fragrance of 'Spanish Cedar,'" but on all that you say in tying up the decline in the cigar withdrawals with the gaudy but cheapened container. I think the cigar industry in its present somewhat diminishing stature needs a reformer and a prophet and it may be that you are elected for the position.

You are certainly doing good work, and I tender you my gratitude. Whether you will eventually get any more out of your work than the average reformer and prophet I do not know. Of course, it is superfluous for me to tell you I agree entirely with your sentiments. I think primarily the wooden box is the proper box and specifically the Spanish Cedar the best of all.

I think the consumer is unconsciously dissatisfied with his smoke. He knows there is a trouble with it but not where it is, and the manufacturers may know or may not know, but they certainly are not helping the consumer in his bewilderment.

It seems to me the consumer is probably quite unconsciously asking for a homely old-fashioned remedy and is getting a brilliantly colored patent medicine which does not satisfy him.

It all seems so clear to you and me that it is discouragingly irritating that apparently neither the manufacturer nor the consumer will see it.

* * * * * *

Cincinnati, Ohio, July 11, 1931.

THE TOBACCO WORLD:

In reference to the unwrapped and wrapped cigar in the transparent wrapper I wish to frankly state that what you say regarding these differences in the cigars packed either way, that this has been tried out quite often by us, and the cigar in its natural wrapper has the call in a number of places in which our brands are sold. That is the chief reason why I know from this experience, personal and otherwise, that the unwrapped cigar is best in the long run.

In several stores the customer has insisted upon the transparent wrapper being removed, and as a result others have made the same demand and the sale of our brands have increased. The smokers claimed the cigar turned soft and soggy in the case and that the natural evaporation from a cigar was prevented by this unnatural wrapper.

I frankly state without hesitancy that the transparent wrapper is of no benefit to cigars of any kind, and I am sure that my experience has taught me to know the cigar manufacturing business, and also to know how to give the smoking public that knows a good cigar, a really good cigar.

Very truly yours,
(Sgd.) "A Cigar Manufacturer."

* * * * * *

Detroit, Mich., July 7, 1931.

THE TOBACCO WORLD,
236 Chestnut Street,
Philadelphia, Pa.

GENTLEMEN:

I received your July 1st issue of THE TOBACCO WORLD, and have noted with much interest both the Editor's comment and the various readers' interesting letters that were published.

Lieutenant Colonel Carroll offers some encouragement for the future when he states that the smoker will finally realize that what he should consider when he buys a cigar is the taste and not the fancy wrapper in which it is presented. However, to bring this about, the cigar manufacturer must again place on the market cigars in their natural wrapper.

Since the various cigar wrappers have done nothing to increase sales, as is very apparent by the published cigar withdrawal figures, one should judge that a change back to the old method of presenting cigars to the public, in their natural wrapper, and packed in the really good container (the wooden box), would be the next step to be taken.

The writer sincerely hopes that such an attempt will soon be made on the part of the cigar manufacturers and that it will stimulate cigar sales most encouragingly.

Yours truly,
.....

(The writer would prefer that his signature is not published.)

Tampa, Fla., July 7, 1931.

Editor, TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

Aroused by the sharp decrease in the consumption of cigars during the last eleven months of the fiscal year 1930-1931, compared with the same period of the previous fiscal year (a total decrease of 639,912,713 cigars of all classes, or 11.02 per cent.), my mind got busy in search of the various causes of that decrease from years back to the present. My conclusion was that the decline is in the same ratio with the burden of innovations imposed on the cigar industry by foolish fads brought about by too smart and greedy promoters, in their endeavor to steal a march on their competitors, even at the risk of being compelled to lessening the quality of their goods: thus contributing to their decrease in consumption.

For the present, and regardless of its usefulness for other lines of merchandise, I will confine my observations to one of the most recent fads, as an illustration, and that is, THE FALLACY OF TRANSPARENT CIGAR WRAPPING, for the following reasons:

1. It is an unnecessary increase in the cost of production of about $2.00 or $2.50 per thousand cigars, to the major portion of the industry.
2. It is useless and superfluous for cigars for immediate consumption.
3. Is an obstacle to the natural fermentation and proper seasoning of cigars in the box after packing.
4. It obstructs the absorption of the convenient sweet aroma from cedar boxes, which are the best packing for cigars.
5. It conceals the aroma of the tobacco from the judgment of the customer, at the time of buying his smokes.
6. It impedes the necessary evaporation of surplus moisture; thus promoting mouldiness first, and then steam in combustion.
7. It keeps a warm, damp vapor in the wrapping favoring the development of worms.
8. It prevents the true appreciation of the real color of cigars.
9. It gives a false gloss to inferior, coarse texture wrappers.
10. It is the most deceiving camouflage ever devised for defective, rough looking cigars.

It is an article that cuts down the legitimate profit of the cigar manufacturer, already overburdened in many other ways.

My advice is "Shun Glazing Wrapped Cigars." Ask for "Thy naked beauties," preferred by Byron. Demand the full value of your money in good quality cigars, by the elimination of expensive, deceiving features, that not only do not add any essential merit to cigars, but compel the lessening of quality, to offset the extra cost of production.

There are of course many other contributing causes to the steady decline of cigar using, leading to the possible disruption of this industry; but to describe them should require more time than what the writer can dispose at present; so, excuse me.

Respectfully yours,
A. RAMIREZ.

* * * * * *

New York, June 2, 1931.

Editor, TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

I am in receipt of your June 1st issue of THE TOBACCO WORLD. Personally I would like to compliment you on the analytical and perfectly open-minded editorial relative to the shrinkage in cigar withdrawals. I also note the letter written by Mr. Knapp which presents a very interesting technical angle. Needless to say we believe in the virtue of Spanish Cedar as a package for cigars—cigars of any class. We do not believe in the transparent wrapper for so many reasons that we need not list them.

Departing a little from the controversy over the transparent wrapper, the writer would like to comment somewhat satirically on a phase of the cigar container manufacture. As a general proposition the evolution from a solid Spanish Cedar cigar box down to one made of cardboard or compo board of some sort has been about as follows:

> Spanish Cedar, Part Spanish Cedar, Veneer, Part Veneer, Imitation, Redwood, Tupelo, Poplar or Gum covered with Cedar paper and finally various forms of fabricated box material covered with Cedar paper.

All I would like to ask the cigar manufacturer is a simple question. Why all this trouble to imitate Cedar if Cedar, as most of them claim, has no virtue? Why not make your cigar box green or blue or paste it over with a bright yellow enamel paper? Why go to the trouble of slicing thin cedar veneer and pasting it on tupelo? Why go to the trouble of taking Redwood on account of its color? Why experiment with the various forms of staining and graining? And lastly, why experiment, as much as the lithographers have done, to produce a paper that looks somewhat like cedar? I simply would like an answer to the question.

They will all tell you there is nothing to cedar virtue, but with the history of the frantic attempts to imitate cedar it seems to me that the cigar men are simply talking to keep up their courage to justify a cheap package.

Yours very truly,
CHARLES E. ROGERS, JR.

Hightstown, N. J., July 11, 1931.

Editor, THE TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

Your editorials and letters in THE TOBACCO WORLD are of interest to those who know what it means for the smoker who likes the looks of his cigar through the transparent wrapper, but he does not get the aroma and that "IT" which comes through proper curing and seasoning from the WOOD—and that WOOD best adapted is known as CEDAR.

Hoping for *Better Smokes*, I remain,

Yours truly,
By "TOTE" WELLER.
For Weller Brothers.

* * * * * *

Philadelphia, Pa., July 8, 1931.

Editor, TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

From 1900 on we have noted a big change in the cigar business. For a decade after 1900 it was in a flourishing state. Every cigar retailing for five cents and up was packed in all-cedar boxes. The only covering was the narrow identification band on cigars selling for ten cents and up. The two and three for five cents cigars were in wooden boxes.

When you passed a cigar store, or entered one, you noted the delightful fragrance of Spanish Cedar mingled with tobacco, which constituted a pleasing and tempting odor.

We cannot think our forefathers were so ignorant or dumb that they imported the fragrant Spanish Cedar just for the fun of it.

Cigar manufacturers spend large sums of money on trips to Havana, Holland, etc., to get the finest tobaccos for their famous brands, and then market them in nonporous wrappers and packed in synthetic containers.

Do the imported Havana factories that make cigars for European royalty, and our own millionaires, pack their cigars in anything but cedar? And why do they pack them only in cedar? Why are synthetic containers used in this country made to resemble cedar, if cedar has no merit?

My work compels me to travel much of the time, and over a period of years I have established a wide and unusual contact among smokers.

I have heard the remark from dozens, and even hundreds, that the nonporous, transparent wrapper gives all of the cigars a more or less similar taste or flavor. Of course we all know that tobacco is very sensitive. Is it that the chemicals in transparent paper, which exist but cannot be detected by you, affect the tobacco? Or is that natural chemical reaction in the tobacco itself retarded?

It has been our experience to take the test which a well-known cigar manufacturer prescribed for his clients. The test consisted of smoking one of his cigars which had been packed with a transparent cover, and another cigar of the same brand which had been packed in its natural wrapper. The result to me was surprising.

The cigar in its natural wrapper was delightful with the fragrance and aroma of Havana. The cigar in the transparent wrapper was harsher in taste and the Havana taste was almost gone. In other words the bouquet of the cigar was completely changed, to my taste, when it was placed in the transparent covering. We smoke cigars for the enjoyment we get out of them. That enjoyment consists of the taste or flavor, the aroma, and the fragrance or bouquet of the cigar. Is it any wonder that cigar smoking is rapidly declining and many brands thrown away half-smoked when the cigar manufacturer offers his merchandise in such a form that the elements which constitute the sole reason for the use of his article are either definitely blunted or entirely destroyed?

When a cigar manufacturer spends a lot of money on expensive wrappers and beautiful workmanship, what good is the product if these evidences of beauty and skill are hidden? Now when a smoker lights a cigar, he lights it as soon as he has pulled the cover off without looking over its finer qualities. An inferior wrapper under a transparent covering shows up just as well as a first class cigar wrapper because the clearest of transparent coverings throws a haze over any cigar. Why cover the natural wrapper and lose the valuable sales effect?

It has been our good fortune to see a very large and handsome cedar cabinet holding 10,000 imported cigars, made for a private yacht, manufactured from Spanish Cedar. Why are these cabinets made from Spanish Cedar? Because men who manufacture fine cigars, as well as those who smoke them, have recognized its superiority and favorable virtues.

We cannot defeat nature, and wood is one of man's most valuable natural possessions. With all the fancy coverings, newfangled ideas, and over-dressed packings, I ask the cigar manufacturer, "Why has your business so startlingly declined"?

It may be that recovery will come when some cigar manufacturer has the courage to start "Back to Nature" with all its dignity.

Yours very truly,
"A Cigar Smoker."

* * * * * *

New York, July 8, 1931.

Mr. Hobart B. Hankins,
TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

I am informed that you are anxious to have an opinion expressed by cigar smokers relative to the cigars that are packed in a transparent wrapper as against those which have not been thus packed.

My experience as a cigar smoker, testing the sample cigars you have left, is that I feel that a cigar in a nonporous wrapper is not as good a flavor; it has a more bitter taste and does not appeal to me as a cigar smoker, as much as one that has not been thus wrapped. I feel that the cigar trade will personally lose ground with smokers if they continue using the nonporous covering.

Very truly yours,
T. R. WILLIAMS.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

New York, N. Y., July 3, 1931.

DEAR MR. HANKINS:

I have just read the editorial and letters in THE TOBACCO WORLD of July 1st.

Ever since they were brought out, I have smoked the "X" brand "Panetela." They are mild and made of good tobacco. More than a year ago, long before the present controversy started, I noticed a decided change in the quality—the cigar was damp and strong, while I like a mild, dry cigar. I concluded it was because of the airtight, transparent covering, the use of which had just been taken up. The clerk in the Cigar Store at the northwest corner of Eighty-sixth Street and Broadway offered to take the covers off and put the cigars back in the box without injury—which he did for a while—but now I buy two boxes at a time, and have the covers taken off and repacked at home. I can assure you there is the greatest difference in the taste of the "X" brand that I buy now and then in the cigar shop, and the cigar that I take out of my own box at home.

Sincerely yours,
R. ARKUSH.

* * * * * *

New York, July 17, 1931.

Editor, THE TOBACCO WORLD,
Philadelphia, Pa.

SIR:

We are following carefully your editorial comment and correspondence thereto in your publications these past couple of months, and see in the facts brought forth to date absolute confirmation of the contention we have consistently held to, that a cigar to be a good cigar must be packed in its natural wrapper in a wooden box, made in all or in part of Spanish Cedar.

We are alarmed with the huge falling off in cigar withdrawals—absolute evidence that something is radically wrong with the cigar industry—smokers are not any longer satisfying their desire for tobacco with cigars, and why?

Never in our experience of over fifty years do we recall so many partially smoked cigars laying about in the streets.

Why the display of not being satisfied with the cigar of today? Is this not convincing evidence that there is something wrong? What is the manufacturer doing about it; has he actually gone into the merits and demerits of airtight, transparent wrappers and/or proper packaging?

It most decidedly appears to us that in these two subjects lies at least a good part, if not all, of the reason why the cigar is apparently losing popularity.

Cigars were smoked and enjoyed in the old days of natural wrappers and wooden boxes (Cedar); why not, with the matter attracting wide attention at this time, find out whether the change in packing and usage of airtight wrappers is not the cause for loss of enjoyment in cigar smoking today?

Yours very truly,
NIC ALTHAUS COMPANY,
By Charles F. Althaus.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

WILEY POST:—45,911. For all tobacco products. July 6, 1931. American Box Supply Co., Detroit, Mich.

HAROLD GATTY:—45,912. For all tobacco products. July 6, 1931. American Box Supply Co., Detroit, Mich.

TRANSFERS

MALICIA:—26,658 (Trade-Mark Record). For cigars, cigarettes and tobacco. Registered April 21, 1902, by Wm. Steiner Sons & Co., New York, N. Y. Transferred to J. M. Martinez & Co., and re-transferred to M. Abrams, Tampa, Fla., June 16, 1931.

711:—10,769 (Tobacco Leaf). For cigars. Registered August 14, 1895, by P. Margolis, Philadelphia, Pa. Transferred to Louis Alexander, and re-transferred to Philip Margolis, Philadelphia, Pa., July 11, 1931.

TADEMA:—4448 (Tobacco Leaf). For cigars. Registered January 14, 1890, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

INFINITO:—6348 (Tobacco Leaf). For cigars. Registered March 7, 1892, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

LORD BYRON:—40,430 (T. M. A.). For all tobacco products. Registered October 25, 1917, by Havana Production Co., Inc., New York, N. Y. Through mesne transfers acquired by Arguelles, Lopez & Bro., Tampa, Fla., and re-transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

FLOR DE GASTON DUC D'ORLEANS:—9646 (Tobacco Leaf). For cigars. Registered July 7, 1890, by Arguelles, Lopez & Bro., New York, N. Y., and transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

EL TIPO:—3623 (Tobacco Leaf). For cigars. Registered March 29, 1889, by Arguelles, Lopez & Bro., New York, N. Y., and transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

EL SUCESO:—1613 (Tobacco Leaf). For cigars. Registered February 18, 1890, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

LA ALCOVA:—6957 (Tobacco Leaf). For cigars. Registered November 7, 1892, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

MY LEAH:—21,941 (Tobacco Leaf). For cigars. Registered September 26, 1901, by E. G. Wallace & Co., Chicago, Ill. Transferred to Arguelles, Lopez & Bro., Inc., Tampa, Fla., and New York, N. Y., and re-transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

DON ROCO:—33,352 (U. S. Tobacco Journal). For cigars, cigarettes and tobacco. Registered August 17, 1907, by E. G. Wallace & Co., Chicago, Ill. Transferred to Arguelles, Lopez & Bro., Inc., Tampa, Fla., and New York, N. Y., and re-transferred to Arango y Arango, Tampa, Fla., July 14, 1931.

TADEMA SHORTS:—45,921 (T. M. A.) For cigars. Registered by Arango y Arango, Tampa, Fla., July 18, 1931. (This certificate is issued upon presentation made to us that the trade-mark or trade name herein specified, though apparently not heretofore registered in any of our Affiliated Bureaus, has been in use by Arguelles, Lopez & Bro., Inc., Tampa, Fla., for a great many years, and acquired by the registrants by a transfer on July 14, 1931.)

ARGUELLES LOPEZ Y HNOS:—45,922 (T. M. A.). For cigars. Registered by Arango y Arango, Tampa, Fla., July 18, 1931. (This certificate is issued upon presentation made to us that the trade-mark or trade name herein specified, though apparently not heretofore registered in any of our Affiliated Bureaus, has been in use by Arguelles, Lopez & Bro., Inc., Tampa, Fla., for a great many years, and acquired by the registrants by a transfer on July 14, 1931.)

MI CARMEN:—45,923 (T. M. A.). For cigars. Registered July 20, 1931, by Celestino Fernandes Co., Milwaukee, Wis. (This certificate is issued upon presentation made to us that the trade-mark or trade name herein specified, though apparently not heretofore registered in any of our Affiliated Bureaus, has been in use by the Mi Carmen Cigar Co., Milwaukee, Wis., for a great many years and acquired by the registrant by a transfer on July 18, 1931.)

1931 CROP INCREASE FORECAST

THE area planted to tobacco in the United States this year is approximately 1 per cent. less than the record acreage harvested in 1930, but about 17 per cent. above the average acreage harvested during the previous five years. A decrease of over 9 per cent. in Flue-cured, the major type, was partially offset by an increase of 13 per cent. in Burley, the second type in importance. Southern Maryland, with an acreage of 18 per cent. above last year, recorded the heaviest increase. All of the Fire-cured types also show increases over last year. In the cigar tobacco areas, the filler types show about the same acreage as last year, binder types increased 2 per cent., while wrappers decreased about 21 per cent. Pennsylvania growers also decreased their acreage 1 per cent.

The July 1 production forecast for the United States is about 19,000,000 pounds in excess of last year's crop. The increase in Pennsylvania amounts to 18,400,000 pounds. Conditions of most types of tobacco, including the cigar types, except filler, were lower on July 1 than a year previous. The Pennsylvania crop is about all planted under ideal weather conditions. According to some reports from Lancaster County, the crop never got off to such a good start. Cutworms are in evidence in a few fields but, so far, have not done much damage.

State	—Production— July 1, 1931 Forecast	Harvested 1930
	1000 pounds	
Massachusetts	9,976	11,397
Connecticut	29,367	32,105
New York	980	760
Pennsylvania	57,772	39,372
Ohio	48,208	44,840
Indiana	17,945	11,729
Wisconsin	44,275	47,355
Minnesota	2,580	2,875
Missouri	5,229	5,130
Maryland	31,000	18,190
Virginia	112,871	94,302
West Virginia	5,332	4,896
North Carolina	483,740	535,195
South Carolina	62,675	86,140
Georgia	51,700	94,361
Florida	7,257	11,188
Kentucky	447,370	339,426
Tennessee	105,950	124,972
Alabama	390	560
Louisiana	122	138
United States	1,524,739	1,504,931

SUITS FILED

Among suits filed last week in the Municipal Court was one against Radio Cigarette Dispensers, Inc., 789 Walnut Street, sued by Charles F. Feurer, 118 N. Franklin Street, to recover $134 for labor and materials.

Hahn & Hahn, 1432 South Penn Square, sued by Yahn & McDonnell Cigars, 617 Chestnut Street, to recover $169 for merchandise.

FLORIDA SENATE KILLS CIGARETTE TAX

Last week the Florida State Senate killed, by a vote of twenty-two to fifteen, a bill proposing a tax of five cents a package on cigarettes sold in that State.

The bill had previously been passed by the House, but the Senate voted to postpone the bill indefinitely

AUGUST 15, 1931

VOLUME 51 No. 16

THE TOBACCO WORLD

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

ASK YOUR RETAILER

What cigars sell the quickest, those packed in Wooden Boxes, or those in other containers.

Watch a Cigar Smoker when he buys his smokes. See him peer through the showcase comparing the cigars by their size, shape and color.

Wooden Boxes keep cigars in the best condition from maker to smoker. The porous cigar box wood absorbs excess moisture and adds to the cigar's own aroma the natural fragrance of the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — Number 16

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
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A. C. M. NAMES COMMITTEE TO COMBAT SALES TAXES

AT a meeting of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, held in New York City on August 5th, a committee was appointed to formulate a policy of procedure to combat efforts of the New York State Legislature to enact a sales tax on cigars.

The committee is headed by George W. Van Slyke, of Van Slyke & Horton, Albany, N. Y., and other members of the committee are Harley W. Jefferson, of the American Cigar Company; B. G. Meyer, of the General Cigar Company; Mortimer Regensburg, of E. Regensburg & Sons; Luis Toro, of the Porto Rican-American Tobacco Company, and Paul Christian, of the Consolidated Cigar Corporation.

At the meeting, which was presided over by John H. Duys, president of the organization, it was decided to retain counsel to draw up a brief with the Mastick Tax Commission, outlining the position of the cigar industry in New York State on the proposed sales tax.

MANILA STRIKE CONFINED TO ONE FACTORY

C. A. Bond, tobacco agent for the Philippine Government, with offices at 15 William Street, New York City, has received a cable from Governor General Davis, that the strike of cigarmakers in Manila is confined to the "La Yebana" factory, and was caused by an effort on the part of the management of that factory to adjust wages to the same level as that being paid in other factories.

The end of the strike is not in sight as the workers have so far refused to submit their demands to an arbitration committee.

COURT TOBACCO COMPANY MOVES

According to an announcement by Richard Hartley, president of the Court Tobacco Company, manufacturer of the "Court" cigarettes, the company has moved its New York offices to 40 East Forty-ninth Street; they were formerly located at 45 East Fifty-fifth Street.

Yahn & McDonnell Cigars are the local distributors for the "Court" cigarette in this territory, and they report they are meeting with a steady demand.

WEBSTER, EISENLOHR REPORTS

Webster, Eisenlohr, Incorporated, reports for the six months ended June 30, 1931, net loss after expenses of $233,254, compared with a net loss of $112,460 in the first half of 1930.

In the three months ended June 30, net loss was $126,729, compared with a net loss of $106,525 in the preceding quarter and a net loss of $7089 in the second quarter of last year.

DEPARTMENT OF JUSTICE INVESTIGATING CIGARETTE PRICE INCREASE

FOLLOWING rumors of an investigation having been quietly started by the Department of Justice at Washington into the recent almost simultaneous increase in the wholesale price of cigarettes by the "Big Four" manufacturers, it was learned definitely last week in Washington that such an investigation was actually under way, following the receipt of nine complaints from distributors who claimed that their business had been adversely affected by the increased prices. It was learned that one of the complainants was the American Wholesale Grocers' Association, but the names of the other complainants would not be disclosed.

Officials of the tobacco companies in question have denied any agreement between them regarding the increase in price, and it is felt that the investigation will disclose that fact.

DIRECTORS REGRET MOWER RESIGNATION

The Board of Directors of The American Tobacco Company at their regular meeting July 29th accepted with great regret the resignation of Mr. Arthur C. Mower, who is vice-president of the company.

Mr. Mower has had an active and successful association with the company for many years, having been for the past several years chairman of Messrs. J. Wix & Son, Limited, the company's English subsidiary.

The directors sought to persuade Mr. Mower to remain in the service of the company, but considerations of health made Mr. Mower feel the advisability of retirement from business.

D. EMIL KLEIN EARNINGS LARGER

D. Emil Klein Company, Incorporated, New York City manufacturer of "Haddon Hall," "Nottingham," "Emanelo," and other high-grade cigar brands, reports for the six months ended June 30, 1931, net income of $158,765 after charges and federal taxes, equivalent after dividend requirements on the 7 per cent. preferred stock, to $1.29 a share on the 100,000 shares of no-par common stock. This compares with $157,086, or $1.22 a share on the common in the first half of 1930.

LARGER A. T. DIVIDEND HINTED

The *Wall Street Journal* states that Wall Street is discussing the possibility of an increase in the American Tobacco Company dividend. It is contended that the company's prospects would warrant a larger dividend distribution, especially since the last advance in cigarette prices will affect the earnings from now on.

Long range investment buying is said to have been coming into the stock recently in anticipation of an increase in the distribution later this year.

NAVY DEPT. ANSWERS DUYS' PROTEST

A PROTEST from American cigar manufacturers against the purchase of foreign-made cigars by the Navy has been answered by the Department with a statement that all those bought in this country by the Navy are of United States manufacture.

The letter, addressed to John H. Duys, of New York, president of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, pointed out that under the 1932 Appropriation Act the Navy was required to purchase its supplies for home consumption in the United States unless the difference in cost was "unreasonable."

It added that vessels in foreign stations sometimes purchased cigars and other supplies in foreign countries, but their consumption in the United States or on ships in home ports was prohibited.

CIGARETTE SALES MAY EQUAL 1930

Current indications of the trend in the tobacco industry and trade are summarized by the Standard Statistics Company of New York, from its August 1st résumé of the outlook, as follows:

"Tobacco—With advertising appropriations continuing of record proportions and, at the same time, broadening the consumer appeal, it is believed that the cigarette industry this year will approximate its 1930 sales aggregate."

NEW WAREHOUSE FOR REYNOLDS COMPANY

The R. J. Reynolds Tobacco Company is having plans prepared by a firm of architects for a two-story, all-steel storage warehouse to be erected at Twenty-eighth Street and Garland Avenue, Louisville, Ky. The cost of the building will be approximately $40,000, and it will be 65 by 160 feet, and connected with two other warehouses by platforms at the rear. The building will be used for storing tobacco in hogsheads.

PORTO RICAN CROP

According to a statement issued on Monday by the Porto Rican Government Bureau of Commerce and Industry, with offices at 1457 Broadway, New York City, the final estimate of the 1931 Porto Rican tobacco crop, issued on August 6th, was 353,446 quintals. (One quintal is equivalent to approximately 100 pounds.)

CONSOLIDATED CIGAR NET INCREASES

Consolidated Cigar for the six months ended June 30th reports net profit of $1,094,233 after charges, Federal taxes, but before preferred dividends, against $1,082,260 in the first half of 1930. For the June quarter, net was $615,686, against $584,787 in the same period last year.

CONSOLIDATED LITHO DIVIDEND

The Consolidated Lithographing Corporation, Brooklyn, N. Y., has declared a quarterly dividend of $1.75 a share on the preferred stock of the corporation, payable September 1st to stockholders of record August 6th.

LORILLARD MEETING AGAIN POSTPONED

The adjourned annual meeting of the P. Lorillard Company, scheduled to be held on August 4th, was again postponed until September 1st.

STANDARD OPENS BRACKENRIDGE PLANT

THE BRACKENRIDGE plant of the Standard Cigar Company, manufacturers of the "Dry Slitz" stogies and "Dry Slitz Majors," has been reopened, after being idle since last April, giving employment to approximately 125 hands, and will continue to operate at full capacity for some time. The plant was closed last April due to overproduction.

A recent reduction in the price of "Dry Slitz" and "Dry Slitz Majors" has brought about such an increase in demand that it was necessary to reopen the Brackenridge plant, and a night force of 100 hands has been added to the Pittsburgh plant, which has been running full time for some time.

NEW CIGAR FIRM IN DETROIT

The Continental Cigar Corporation has been organized in Detroit by M. E. Von Mach and B. F. Van Huystee, with an authorized capital of $6000, all of which has been paid in. Mr. Von Mach is president and treasurer of the firm, and Mr. Van Huystee is vice-president and secretary.

They will manufacture the "La Terona" cigar, a cigar of Havana filler and Sumatra wrapper, retailing at ten cents and up to three for fifty cents, in four sizes.

Mr. Von Mach was formerly associated with the General Motors Truck Company and Mr. Van Huystee has been associated with the cigar industry since he was sixteen years of age, and is well versed in cigar manufacturing. Mr. Van Huystee has been associated, in his many years in the industry, with several of the largest cigar manufacturing firms in the middle west, and his wide experience in the industry is ample guarantee that the "La Terona" will be a brand of excellent quality.

TAMPA PRODUCTION DECLINES

The total number of cigars produced in the Tampa factories during the month of July, according to figures furnished by the Internal Revenue Department, was 32,904,678. This is approximately 6,000,000 less than was produced in the same month last year, and approximately 7,000,000 than was produced in the month of June this year.

The production by classes was as follows: Class A—13,611,000; Class B—688,000; Class C—14,128,000; Class D—4,510,000, and Class E—65,165.

UNITED STORES CORPORATION DIVIDEND

The United Stores Corporation, holding company for the United Cigar Stores Company of America and Tobacco Products interests, has declared a quarterly dividend of $1 a share on the preferred stock of the corporation, payable September 15th to stockholders of record August 26th.

PORTO RICAN-AMERICAN EARNINGS

The Porto Rican-American Tobacco Company reports for the first half of 1931 consolidated net profit of $104,035, as compared with $383,962 in the first half of 1930.

The figure includes Porto Rican-American's proportion of Congress Cigar Company earnings.

Of course CAMELS are milder THEY'RE FRESH!

HAVE you noticed how women everywhere are switching to the fresh mildness of Camels? Always a great favorite with the ladies, this famous blend is more popular now than ever, since the introduction of the new Humidor Pack.

If you need to be convinced, make this simple test yourself between a humidor fresh Camel and any other cigarette:

First, inhale the cool fragrant smoke of a perfectly conditioned Camel and note how easy it is to the throat.

Next, inhale the hot, brackish smoke of a parched dry cigarette and feel that sharp stinging sensation on the membrane.

The air-sealed Humidor Pack keeps all the rare flavor and aroma in and prevents the precious natural tobacco moisture from drying out. Important too, it protects the cigarette from dust and germs.

Switch to Camel freshness and mildness for one whole day, then leave them — if you can.

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

CAMELS

NO CIGARETTY AFTER-TASTE

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

PHILADELPHIA.

S. T. WAGNER KILLED IN FALL

SAMUEL TOBIAS WAGNER, world-famous railroad engineer, who was associated with the Reading Railroad Company for many years, died in Hahnemann Hospital on August 7th following a fall from a stepladder at his home in Germantown.

Mr. Wagner was a brother of John and Joseph Wagner, of the cigar importing firm of John Wagner & Sons, 233 Dock Street.

Mr. Wagner was recognized as one of the most eminent railroad engineers in the world, and leaves several great monuments to his memory in this city and State after serving as chief engineer of the Reading Company for eleven years. He was associated with many scientific and engineering organizations and was president of the trustees of the Wagner Free Institute of Science, and for many years professor of engineering there. He wrote many books on engineering.

He is survived by his widow, the former Mary C. R. Seull; three sons, John, Jr., and William Worrell, 2d, of this city, and Thomas Rowan, of Chicago, and one daughter, Miss Mary Wagner; three brothers, John, Joseph W., and William Worrell Wagner.

Funeral services were held on Monday morning at 10:30 o'clock, at the Church of St. James the Less, Falls of Schuylkill.

B. W. BURNSIDE BACK ON THE JOB

B. W. Burnside, Bayuk Cigars, Incorporated, representative for the New Jersey seaside resorts, was bitten by a mosquito, or some other insect, on the ankle recently, which caused a quite serious infection, necessitating Mr. Burnside's retirement from the firing line temporarily. However, he is now back on the job, as good as new, and looking after the sales of Bayuk brands among the vacationists in great shape.

"ROYALIST" BUSINESS HOLDING STEADY

At the "Royalist" headquarters, Grabosky Brothers, Incorporated, 21 North Second Street, they report business on their brand enjoying a comfortable steady demand, in spite of the seasonal lull which is expected at this time of the year. Their sales force are daily turning in a good volume of repeat orders and also making many new placements.

BROGAN VACATIONING AT SEASHORE

PAUL L. BROGAN, vice-president of Yahn & McDonnell Cigars, distributors, of 617 Chestnut Street, is vacationing with his family at Ocean City, N. J., enjoying the ocean breezes.

During his absence sales are being well taken care of by the efficient sales and office force of Yahn & McDonnell, and "Optimo," "Antonio y Cleopatra," "Dawn" cigarettes, and their other brands are enjoying a steady sale.

"SUPER PALS" NOW IN FIVE-CENT CLASS

The recent addition to the "La Palina" family, "Super Pal" which formerly retailed at six cents each, has been placed in the five-cent classification effective August 1st. Letters announcing the change were mailed to all distributors of "La Palinas" stating that on the above date the wholesale price of this size would be reduced from $43 to $38.50 a thousand.

The "Super Pal" has been a ready seller ever since its appearance on the market, and the Congress Cigar Company has decided, in view of present conditions, to place the cigar in the lower classification, and by so doing, to give the smoker a real quality cigar at five cents.

A gratifying increase on this size has been the immediate result.

NEW FIVE-CENT BRAND FOR WAGNER

John Wagner & Sons, Dock Street, distributors of cigars and tobacco, have just received a quantity of the new five-cent size of the Garcia & Vega factory, and these are being well received by retailers and consumers. The new size is made in bond and is a high quality five-cent cigar.

Ben Lumley has just returned from a trip through the southern section of his territory and reports a highly successful trip. Mr. Lumley also reports that the Garcia & Vega factory in Tampa is working at capacity, and that the July sales of his firm were well ahead of the same month of last year, with sales for the seven months of this year also showing a substantial increase over the same period of last year.

SUITS FILED

Among suits filed last week in Municipal Court was one against the Keystone Advertising Corporation, 1526 Vine Street, sued by Charles A. Krull, 315 Arch Street, to recover $280 for merchandise.

Consider your Adam's Apple!!★

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Adam and Eve in the Garden of Eden—A story we have all heard since childhood—Consider your Adam's Apple—the possession of each one of us, man or woman—your voice box—containing your vocal chords—your larynx—Don't rasp your throat with harsh irritants—Reach for a LUCKY instead—Be careful in your choice of cigarettes.

Remember, LUCKY STRIKE is the only cigarette in America that through its exclusive "TOASTING" Process expels certain harsh irritants present in all raw tobaccos. These expelled irritants are sold to manufacturers of chemical compounds. They are not present in your LUCKY STRIKE. And so we say "Consider your Adam's Apple."

©1931 A. T. Co., Mfrs.

"It's toasted"

Including the use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies
Your Throat Protection—against irritation—against cough

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

TOBACCO PURCHASING POLICY OF THE AMERICAN TOBACCO COMPANY

THE following letter has been addressed by George W. Hill, president of The American Tobacco Company, to each of the buyers of tobacco for The American Tobacco Company throughout the tobacco producing states:

July 28, 1931.

Within a little while you will begin to buy tobacco again for the Company. I want to set before you, as clearly as I may, the tobacco situation, from The American Tobacco Company's point of view.

I don't have to tell you, I am sure, that it is the hope and desire of The American Tobacco Company that the farmer should get good prices for his tobacco. We have always wanted him to get good prices, and last year, as you know, the prices paid by The American Tobacco Company to the farmer provided him with a very handsome profit on the tobacco that he sold to us.

There are two fundamentals that no business man, whether he be merchant, buyer or farmer, can overlook, and these fundamentals govern all commodities:

(1) The quality of a product is the governing factor in the price that any product brings, and with tobacco, those markets that produce first-class quality will get a good price for their product, while, by comparison, those markets whose quality is inferior, will get a poorer price.

(2) If the demand is greater than the supply, the prices will rise, and if the supply is greater than the demand, the prices are bound to fall and nobody can stop it.

The major activity of the four leading tobacco companies in this country is the production of cigarettes. But all the cigarette manufacturing companies in the country consume only about 35 per cent. of the Bright Tobacco produced here. The remainder of the Bright Leaf is sold for export, and export demand obviously has an important bearing upon the market price. World conditions generally, together with the abnormal disturbances in China, have seriously affected export demand, both as to quantity and price. It is this condition primarily that is at the root of the problem of the American grower of tobacco.

Status of Cigarette Production

Let us set forth the domestic situation quite clearly: The production of cigarettes increased in the United States, according to the report of the United States Department of Commerce, by 18 per cent. from 1925 to 1929. 1930 production was slightly in excess of 1929.

For the first six months of 1931 all cigarettes produced in the United States totaled 59,432,526,000, against a figure of 59,425,164,000 in the same period in 1930, showing that the total cigarette production the first six months of this year was practically stationary as compared with the total cigarette production the first six months of last year.

It is well known that there has been no increase, but rather the contrary, for several years past in requirements of tobacco for uses other than the manufacture of cigarettes.

Overproduction of Tobacco

Leaf consumed in the manufacture of American cigarettes in 1930 amounted to 338,701,000 pounds; in

(*Continued on Page 14*)

TOBACCO RADIO ADVERTISING INCREASES

RADIO broadcast advertising for the tobacco industry over national networks during June, 1931, showed more than the usual high gain over the same month of 1930, the total of $475,844 so spent representing a gain of 219 per cent. over the expenditure of $149,116 during June of 1930, according to the Business Survey Department of Dorrance, Sullivan & Company, Inc., New York advertising agents. The expenditure for all forms of national advertising during the month totaled $1,000,847, a gain of 49 per cent. over the June, 1930, total of $671,433.

For the first six months of 1931 the radio advertising totaled $2,247,127, a gain of $1,305,203 or 138 per cent. over the $941,924 similarly spent during the like period of 1930. For all national advertising, the industry expended $5,508,031 during the six months of 1931, a gain of 39.8 per cent. over the similar expenditure of $3,937,837 in 1930.

During July, 1931, the industry spent a total of $451,852 in magazine advertising, a decline of 18.2 per cent. from such advertising during July a year ago. However, the total for the first seven months of 1931 still showed a gain of 4.6 per cent. over the same period in 1930, the 1931 expenditure being $3,712,756 as against $3,550,469 spent during those months of 1930.

An expenditure of $421,602 for national magazine advertising during July, 1931, showed a decrease of 20.3 per cent. from the July, 1930, expenditure of $528,856. National farm magazine advertising increased from $25,700 during July last year to $30,250 this year, a gain of 17.7 per cent. During the first seven months of 1931 national magazines advertising increased 2.6 per cent., from $2,403,594 in 1930 to $3,490,856 in 1931, while national farm magazines increased their tobacco advertising from $146,875 for these seven months of 1930 to $221,900 in 1931, a gain of 51.1 per cent.

Of the July, 1931, total for national magazine advertising, the industry spent $347,029 for the promotion of cigarettes; $12,750 for cigars; and $61,823 for manufactured tobacco and smokers' supplies, respectively 82.3 per cent., 3 per cent. and 14.7 per cent. of the total of $421,602 spent in these media.

FRANK HARWOOD RECOVERS FROM ILLNESS

The many friends of Frank W. Harwood are pleased with the news that he has recovered from his recent attack of pneumonia and leaving New York City for an extended rest.

Mr. Harwood was formerly vice-president and advertising director of the American Cigar Company, and is now vice-president of Lennon & Mitchell, Inc., advertising agency, of New York City.

MENGEL COMPANY EARNINGS

The Mengel Company, Louisville, Ky., reports for the six months ended June 30, 1931, net profit of $5396, as compared with net profit of $210,311 in the first half of last year.

Unfilled orders July 21, 1931, totaled $1,128,000, compared with $1,514,000 July 21, 1930.

EXCHANGE BUFFET SALES

Exchange Buffet Corporation reports July sales of $405,857, as compared with $479,724 in July, 1930. Sales for the three months ended July 31, 1931, totaled $1,305,681, against $1,541,215 in same quarter of last year.

GOOD .. they've got to be good!

UNCLE SAM'S 373,230 POST OFFICE EMPLOYEES handle 76,580,000 pieces of mail every day!

"NEITHER SNOW NOR RAIN NOR HEAT NOR GLOOM OF NIGHT STAYS THESE COURIERS FROM THE SWIFT COMPLETION OF THEIR APPOINTED ROUNDS."

A tribute that is deserved!

Registered "first class"!

"No comebacks"—when you smoke Chesterfields.

The tobaccos are right! Chesterfield uses only mild, ripe, sweet-tasting tobaccos—the best and purest money can buy.

The blend is right! It's an art to put tobaccos together the Chesterfield way. A science too! For each type of tobacco used must pass rigid laboratory tests for mildness, for aroma, and for taste.

The manufacture is right. Every Chesterfield is well-filled and burns evenly.

The paper is right—in texture, weight and purity. Money can't buy better.

The taste is right. It is no accident that Chesterfield holds its smokers. They Satisfy!

Chesterfield

THAT GOOD CIGARETTE—THEY SATISFY

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RESALE PRICE LEGISLATION REPORT DRAWS WIDE CRITICISM

EDMOND A. WHITTIES, secretary-treasurer of the American Fair Trade Association, New York City, has issued the following statement:

On December 12, 1927, the Federal Trade Commission made public announcement that:

"The question of resale price maintenance is one of the most troublesome with which the Commission has to deal in the present state of the decisions. The early Federal cases trace the principle to a passage in Coke on Littleton dealing with restraints on alienation. Courts, in attempting to apply these ancient principles, have fallen into hopeless confusion. Orders of the Commission, issued under its organic act, have been upheld in some circuits and set aside in others on almost undistinguishable states of fact.

"It is evident that legislation will be required to cure the present unsatisfactory conditions; and it seems unlikely that Congress will enact such legislation without definite information as to the probable effect thereof on competition and prices."

On its own initiative, and without request or instruction from Congress, the Commission proceeded, through its so-called economic division, to circulate a questionnaire form to manufacturers, to wholesalers, to retailers and to consumers. Unless it be assumed that the economists of the Commission have proceeded on the assumption that both Congress and the public give little or no attention to statistical data, it is difficult to believe that serious attention is expected to a report which acknowledges that its information is derived from only 849 manufacturers out of 199,268, which is the total reported by the Department of Commerce, based on the 1929 Census Bureau preliminary report; from 325 wholesalers out of a reported total of 169,888; from 2334 retailers out of 1.549.158 in the country, reported by the same authority; and from 1990 consumers out of the adult population of the country, approximating perhaps 100,000,000.

Notwithstanding its specific declaration, already quoted, that confusion in the present law demanded legislative relief, that it based its inquiry on that fact, and that. in the meantime there have been no rectifying or modifying judicial decisions, the Commission, on June 22d last, published a summary of the results and once more reversed itself on a question of law and public policy by half-heartedly declaring that "no legislation permitting resale price maintenance is called for at present."

It is certain that Congress will make short shrift of this latest example of the Commission's consistent inconsistencies, particularly since it was supported by a divided vote and that one member, Commissioner William E. Humphrey, expressly washed his hands of the whole enterprise, insisting upon appending to the report the following statement:

"I doubt the advisability of voluntarily sending a report of this character to Congress. I affirmatively refrain from any expression, favorable or unfavorable, as to any opinion, inference, conclusion or recommendation which the report may carry."

The complete report is not yet available but commercial, professional and congressional reaction, as far as expressed, is strongly adverse.

Senator Arthur Capper, sponsor of the Capper-Kelly Fair Trade Bill in the Senate, declared:

"There will be no let-up in the fight for this legislation in the next Congress. The business interests of the country demand this relief and I believe Congress will grant it after the issues have been fully and fairly discussed."

In a prepared statement, Representative Clyde Kelly, sponsor of the bill in the House, said:

"The summary made public by the Commission carries so many inconsistencies and mistaken views that it only confuses, instead of clarifying the issue. The situation remains today just as it was when the Commission undertook its investigation as far as the need for legislation is concerned. It is imperative that cut-throat competition, which means the death of honest business, be dealt with in effective manner."

Printers' Ink, in a noteworthy article in the June 25, 1931 issue, by one of its leading editorial writers, Mr. Roy W. Johnson, said:

"If one may judge by the summary, the bias of the Commission is quite fairly evident. In spite of solemn redundancies of language intended to give the appearance of a broad impartiality, and sundry irrelevancies introduced for the same apparent purpose, it is clear enough that this is a partisan affair intended to influence Congress against the whole price-maintenance doctrine through an attack on the economic integrity of advertising.

"It is nothing new to find the Commission off the reservation. But this latest vagary does raise certain questions that are of more vital importance to business men in a democracy than even the ultimate soundness or unsoundness of a theory like price-maintenance. If our views on public questions are to be presented to Congress through the medium of some bureaucratic functionary which places its own estimate upon them, it is time we knew about it. If a majority of five political appointees at Washington can decide 'how much importance should be attached' to opinions on pending legislation, it may be time to stop the machine and put on a new record."

Dr. George Horace Lorimer, editor of the *Saturday Evening Post,* almost coincidently with the issue of the Commission's questionnaire to consumers on resale price maintenance, in an editorial headed "The Guileless Questionnaire," said:

"We do not know who invented the questionnaire. But, anyway, he was a great man. . . . He discovered how to get exact, utterly impregnable information on any subject, and having that information exactly and precisely what one wanted it to be. . . .

"The royal road to knowledge is now by way of the questionnaire. . . . That no one may give a hang about knowing the truth on the subject does not matter to the addict. Neither does it matter that if business concerns must answer all the questions put to them, it may cost them collectively a great deal of valuable time. That only increases the import of the research.

"And neither does it matter that it is in the drawing of the questions that the answers may be found. In fact, that is the great merit of this form of amassing knowledge. One does not have to take any chances. One may ask: 'Do you favor the Jones Bill as amended to afford relief along sound economic lines?' Then an overwhelmingly majority of the answers will be 'Yes.' But change the question to: 'Are you opposed to the Jones Bill as a raid on the public treasury?' The answers will also be 'Yes.'

"But that, again, is the merit of the questionnaire. It is so utterly guileless."

In conclusion, it is desirable to stress the fact that the Commission's inquiry was not in response to any resolution of Congress and that its report is based on absurdly insufficient and unrepresentative data contained in responses to a questionnaire which did not cover any proper cross-section of public opinion, and by its form did not seem to many to merit attention.

In short, the summary of the report made public shows it to be so unmindful of the economic facts as to make it altogether inconsequential and unimportant.

Congress in the past has never been influenced by gratuitous advice from governmental bureaus and there is no doubt that it will act in accordance with its own judgment as to the need for relief from price-cutting evils.

Autokraft Holiday Packages Are Excellent Salesmen

AUTOKRAFT BOX CORPORATION offers the suggestion that it is not too early to anticipate the requirements for the one-fortieth wooden cigar box which is always a popular-sized package during the Holiday Season. The normal orders for the one-twentieth container are frequently delayed in October and November by reason of late "RUSH" orders for the one-fortieth box.

AUTOKRAFT BOX CORPORATION is prepared to meet unusual requirements for prompt service, either for the one-fortieth or the one-twentieth package. It would, however, greatly facilitate their production problems if the orders for one-fortieth containers were placed as soon as possible.

It offers to the cigar manufacturing trade a NATION-WIDE SERVICE, supported by an organization equipped to produce the highest grade of wooden package and to guarantee a delivery of exacting promptness.

May we have the pleasure of serving you?

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PRESIDENT'S GUM DROPS WERE CIGARS

Last week the daily papers seized on a choice bit of news and broadcast to the nation that President Hoover was fond of gum drops.

It all happened through reporters seeing Joseph R. Nutt, treasurer of the Republican National Committee, entering the President's office with a package, and when he was asked what it contained, he replied that it contained a special brand of gum drops which the President was very fond of, and immediately the wires were hot with the story.

The President, on hearing of this, asked his secretary to open the package, and when the paper was taken off, the box was found to contain choice cigars.

DUTCH WEST INDIES INCREASES CIGARETTE DUTY

Effective July 1, 1931, the Dutch West Indian import duty on cigarettes was increased from florin 0.20 to florin 0.40 per hundred. The Dutch florin is worth about 40 cents United States currency.—*American Consul Thomas W. Voetter.*

YORK COUNTY PRODUCES 557,000,000 CIGARS

ACCORDING to a statement submitted by the Bureau of Statistics of the Pennsylvania Department of Internal Affairs to Secretary Philip H. Dewey, at Harrisburg, Pa., a total of 557,000,000 cigars were manufactured in York County, Pa., last year.

The county also produced a total of 16,169,118 boxes for these cigars. The number of boxes is sufficient to permit every man, woman and child in Pennsylvania to have one, and allowing in addition one for every resident of New York City. There would still be enough left over to permit every resident of the State of Delaware to carry one also.

CROW SELLS CIGARETTES IN CHI.

Chicago has a new kind of cigarette salesman, and it is a real old crow named Billy.

The crow works at a cigar stand and takes a nickel and dime in his beak from a customer and returns with a package of cigarettes. Billy can also do some talking.

He is the property of a florist, but spends a lot of his time working for the cigar stand.

NEW TEXAS DISTRIBUTOR FOR BAYUK BRANDS

The Tyler & Simpson Company, Gainesville, Texas, have been appointed distributor in their territory for the products of Bayuk Cigars, Inc., and have all brands well placed in that section and report excellent prospects for future business on these "It's Ripe Tobacco" cigars.

BETTER PRICES FOR TOBACCO POSSIBLE

THE TOBACCO market news service of the United States Department of Agriculture on August 3d issued a statement that so far there had been less buying for export than usual and as a consequence prices had been low in some grades. "There is some basis for assuming that prices will improve and that the general average for the season in Georgia may be about equal to or better than that of 1930," the report stated.

Douglas is the key market in Georgia of the tobacco market report, at which officially graded tobacco is sold at auction.

The Tobacco Section in its first weekly report on flue-cured tobacco, type 14, said that the season in Georgia and Florida is unusually late. The report said there are many fields from which no tobacco has been harvested and marketing has been exceedingly light. Offerings have been mainly of low grades.

The report said a factor likely to be of importance in determining the prices of tobacco this year "is the relative scarcity of cigarette grades in the 1930 crop of flue-cured tobacco."

The report said exports of flue-cured tobacco, January to May, inclusive, amounted to 200,000,000 pounds this year, compared with 155,000,000 for the same period of 1930.

The withdrawals for home consumption in 1930 appear to have been about 4 per cent. larger than in 1929. The exports of manufactured cigarettes were slightly smaller in 1930 than in 1929, leaving an apparent net increase in the tobacco used in cigarettes of approximately 3 per cent. From 1925 to 1929 there was an average increase in the quantity of these types of tobacco used by manufacturers in the United Kingdom of approximately 5 per cent. a year.

The State Bureau of Markets reported on August 3d that 6,756,182 pounds of tobacco were sold in Georgia during the previous week by growers at an average price of 7.33 cents per pound. This compared with 19,100,442 pounds for the first week of 1930, which brought an average price of 10.59 cents per pound.

The total money paid to the growers for tobacco last week in Georgia was $495,431.44, as compared with $2,022,066.42 for the first week of last year.

The Georgia tobacco market opened on July 28th. Weekly reports of the sales are issued through the State Bureau of Markets each Monday during the season.

Marcus McWhorter, chief statistician of the Department of Agriculture, announced on August 10th that 11,622,807 pounds of tobacco were sold in Georgia by growers last week at an average price of 7.56 cents a pound. This compares with 29,386,978 pounds at an average of 12.42 cents for the same week a year ago and 6,756,182 pounds at an average of 7.33 cents for the previous week this year.

The total money paid for tobacco last week was $878,113.48, as against $3,649,880.54 for the second week of the season last year and $495,431.44 for the first week this season.

Prices paid during the first week were generally regarded as low, but the leaf is late and lower grades were offered for the most part. Buying became more spirited and prices improved as better grades came in.

Warehousemen said the Pelham market averaged 8.63 cents a pound and was considered satisfactory in view of the quality of the leaf.

The Moultrie market averaged 8.44 cents a pound for the first week, warehousemen said, with a total of 745,622 pounds offered to buyers. They expressed a belief the market led the State in sales.

More buyers were on the Adel market this year than ever before and sales increased.

Hahira reported average prices of 9.75 cents, Tifton an estimated average of 9.07 and Waycross an average of 9 or 10 cents.

PHIL M. PHULOFAX CITES TEN COMMANDMENTS FOR THE CIGAR RETAILER

PHIL M. PHULOFAX, D. B. I., business philosopher and specialist in cigar retailing associated with Bayuk Brothers, Incorporated, was interviewed yesterday by our special correspondent, in Anytown, U. S. A. He is spending a few days in that city in the course of his nationwide trip undertaken for the purpose of calling on the retail trade and obtaining new material for his series of selling tips to cigar dealers, now appearing regularly in the advertising pages of this magazine.

When asked if he had any special message for cigar retailers at this time, Mr. Phulofax handed our correspondent a typed sheet of paper headed "The Cigar Dealer's Ten Commandments." We quote these in full:

Keep the store spruced up, well lighted, warm in winter, well aired in summer.

Keep windows and show cases brightly polished.

Keep cigars fresh by some sort of humidifier in the show cases.

Don't let slow-moving stock accumulate and clutter up the store. If you've had brands loaded on you that just won't move have a special bargain sale and get rid of them, even if you have to take a loss.

Stock cigars that have a well-established public demand back of them and are supported by regular advertising; avoid freak brands.

Always remember that you are a salesman, not just an automaton whose only job is to push the cigar he asks for out at a customer, and take his money in exchange.

Read all you can find on better selling methods, particularly everything that applies directly to the cigar business; study ways to adapt selling ideas to your store, and put them into practice.

Study ways to display cigars most effectively in show cases, on the counter, and in windows.

Keep building up your box sales by turning buyers of single cigars into box buyers. Your greatest profit lies in box sales.

Remember that a polite and friendly attitude toward customers is an important business asset. A friendly "Good Morning" and a "Thank You" that sounds as though you really meant it, will often turn a casual customer into a regular.

The "Ten Commandments," Mr. Phulofax explained, were drawn up by him during the many hours he has been spending on trains during the last few weeks. He says others may be able to add to them, but that after a lot of thought and study he feels pretty confident he's covered the essentials. "The fellows who adopt them and obey them," he says, "are on the right road to more business and bigger profits."

LEAF EXPORTS CONTINUE TO SHOW GAIN

THE VOLUME of leaf tobacco exported from the United States during the first six months of the current year registered a substantial gain over the corresponding periods of 1930 and 1929 and reached the highest total since 1924, according to an interpretation of official statistics by B. D. Hill, chief of the Commerce Department's tobacco division.

The total recorded during the first half of 1931 was 270,691,000 pounds in comparison with 260,000,000 in the corresponding period of last year and 226,096,000 in the six-month period of 1929.

The value of the tobacco leaf exports, however, shows a decline from both 1930 and 1929, indicating that although the volume exported continues to increase in spite of adverse world conditions, these same conditions are bearing prices downward. In the first half of the current year, the total value has amounted to $51,809,000 as compared with $55,135,000 in the 1930 period and $52,786,000 in 1929. These returns indicate that the average return per hundred was $23.34 in 1929, $21.18 in 1930, and $19.07 in 1931.

Among tobacco products exported, while plug and smoking tobacco suffered to a considerable extent, cigarettes played the most important part in the decreased return. Cigarette distribution to most countries fared normally, the marked decrease being accountable to China and other Far Eastern countries. American cigarette distribution during the six-month period of 1929 totaled 5,030,032,000, dropping in 1930 to 2,773,064,000 and in 1931 to 1,547,973,000 pieces. Exports of chewing and smoking tobacco totaled 1,891,895 pounds during the 1931 period as against approximately 2,500,000 pounds during the like periods of 1929 and 1930.

TRUST FUND FORMED FOR MRS. REYNOLDS

A consent judgment setting up trust funds totaling $1,000,000 for Mrs. Anne Cannon Reynolds, wife of Zachary Smith Reynolds, and their daughter, Anne Cannon Reynolds, eleven years old, was signed by Superior Court Judge John M. Oglesby at a hearing in Winston-Salem on August 4th.

Mr. Reynolds, the second son of the late R. J. Reynolds, and Miss Cannon, a daughter of J. F. Cannon, Concord, N. C., textile manufacturer, were married in November, 1929. The couple separated several months ago, and a suit for alimony and suitable allowance for support and care of the child was instituted.

MEXICAN 1931 CROP POOR

Mexico: The 1931 tobacco crop, which is grown almost exclusively in the State of Nayarit is below the average both in quantity and quality. The acreage planted to tobacco is about equal to that of 1930, but the yield is not expected to exceed 17,000,000 pounds, in comparison with a yield of 24,000,000 pounds in 1930 and an average yield of 20,000,000 pounds. The price being offered for this year's crop is around $0.22 per kilo, while the price paid for the crop last year was from $0.32 to $0.40 per kilo. The entire tobacco crop of this district is consumed by the cigarette factories of Mexico City.—*American Vice Consul E. W. Eaton.*

THE WORD "NICOTINE"

In the word "nicotine" is still preserved the very name of Jean Nicot, French Ambassador to Portugal, who introduced tobacco into France.

TOMS DENIES PRICE AGREEMENT

IN connection with the reported investigation by the Department of Justice of the recent increase in the price of cigarettes by the manufacturers, C. W. Toms, president of the Liggett & Myers Tobacco Company, stated:

"The Liggett & Myers Tobacco Company has not, at any time in the past, and will not make any agreement expressed or implied, direct or indirect, with any competitor or competitors, in regard to the price at which it shall sell its products; but if competitors change the price of their products, the Liggett & Myers Tobacco Company reserves the right to take whatever action seems best for its business."

CONTINENTAL TOBACCO DIVIDEND

Continental Tobacco Company, Incorporated, more than 99 per cent. of the stock of which is owned by Philip-Morris Consolidated, has declared an initial dividend of 37½ cents a share, payable August 31, 1931, to stock of record August 15th.

YORK COUNTY FIRM ON RADIO

Beginning August 11th, W. H. Snyder & Sons, cigar manufacturers of Windsor, Pa., began a series of radio broadcast programs over station WKJC, Lancaster, Pa. The programs are scheduled to begin at 2:15 P. M.

DID YOU KNOW THAT——?

American cigarettes are exported to more than one hundred countries, 80 per cent. of the foreign sales going to China, the Philippines, Panama, British Malaya and France.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va.	President
CHARLES J. EISENLOHR, Philadelphia, Pa.	Ex-President
JULIUS LICHTENSTEIN, New York, N. Y.	Vice-President
WILLIAM BEST, New York, N. Y.	Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y.	Vice-President
GEORGE H. HUMMELL, New York, N. Y.	Vice-President
H. H. SHELTON, Washington, D. C.	Vice-President
WILLIAM T. REED, Richmond, Va.	Vice-President
HARVEY L. HIRST, Philadelphia, Pa.	Vice-President
ASA LEMLEIN, New York, N. Y.	Treasurer
CHARLES DUSHKIND, New York, N. Y.	Counsel and Managing Director

Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio	President
CHAS. B. WITTROCK, Cincinnati, Ohio	Vice-President
GEO. S. ENGEL, Covington, Ky.	Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio	Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City	President
MILTON RANCK, Lancaster, Pa.	First Vice-President
D. EMIL KLEIN, New York City	Second Vice-President
LEE SAMUELS, New York City	Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J.	President
CHARLES D. COLEMAN, Chicago, Ill.	Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y.	Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN	President
SAMUEL WASSERMAN	Vice-President

PURCHASING POLICY OF A. T. CO.

(Continued from page 8)

cigars, 137,510,000 pounds; and in tobacco and snuff, 288,322,222 pounds. Now observe conditions of production: The principal tobaccos used in the production of cigarettes, for both export and domestic production, are flue-cured and Burley.

According to *Trade Information Bulletin No. 757*, published by the Department of Commerce, the production of flue-cured tobacco in 1930 was in excess of 857,000,000 pounds, as compared with an average of nearly 670,000,000 pounds for the years 1925 to 1929. The production of Burley last year was 359,501,245 pounds, as compared with a yearly average of 282,765,085 pounds within the previous five-year period.

It is thus obvious that there is a very decided overproduction of tobacco, and the cigarette industry in the United States is utterly unable to absorb the surplus. The four largest cigarette manufacturing companies take less than 35 per cent. of the normal Bright crop, and no one of these companies requires as much as 15 per cent. of the total. These companies are working, as is well-known, under conditions of the severest competition, and thus the price paid to the leaf grower is absolutely free from control by these companies, collectively or individually.

It is extremely important that another fact should be borne in mind: The world is in the throes of the severest financial and economic depression of a hundred years. Nearly all industries during the past two years have suffered a drastic falling off in demand. But the cigarette business has held its own.

This achievement, producing as it does a market for so large a part of the output of the tobacco grower, has been accomplished only with extraordinary effort in scientific merchandising, backed up by enormous expenditures for advertising.

Except for the courage of the American cigarette manufacturers in the face of this depression, cigarettes might easily have suffered the same serious curtailment of public demand which has wrought such disaster in other fields of industry. Had such been the case, tobacco prices paid to the farmer might easily have suffered seriously.

A word as to the recent increase in wholesale prices of cigarettes: Previous to this increase the Government was receiving 6c. in taxes on every package of cigarettes sold. The manufacturer was receiving 5.28c. on each package.

Under the new price the Government continues to receive 6c. on each package, while the manufacturer will receive 6.1c. on each package. It should also be borne in mind that the previous low prices were unwarranted and were imperiling the development of some of the companies.

The price had been reduced in 1928 from $6.45 to $6.00 per thousand, this being a price-cutting measure introduced by some of the companies and which the others had to follow as a measure of self-protection. The price in 1919 had been $8.20 per thousand. Thus the present level should be regarded more as a partial restoration of a normal price rather than as an arbitrary increase.

If, as a result of this present increase in price, supported by sound methods of merchandising, the various companies are able to so stimulate demand as to make possible the payment of a better price to the farmer, certainly The American Tobacco Company will be gratified.

All of the foregoing are important considerations. It is believed that an understanding of these conditions by the farmers will enable them to see that the efforts of The American Tobacco Company are in no small measure in support of the best interests of the farmer.

Factors Which Control Price

We cannot govern the amount of tobacco the farmers grow nor can we improve its quality. Unsatisfactory prices from the farmers' standpoint, due either to overproduction, poor quality, or inadequate demand —especially inadequate export demand—are the result of conditions over which this company has no control.

We buy our tobacco, of necessity, in competition with our competitors. For every pile of tobacco we buy, we pay the highest price that anyone will pay for that pile. You will appreciate that we buy selected and superior tobaccos only, "Cream of the Crop," as we advertise, hence, the prices we pay for what we buy are higher than are paid for the run of the crop. Accordingly, as I stated at the beginning of this letter, the tobacco purchases of The American Tobacco Company last year were at prices and at averages which paid the farmer a good profit on his labor.

We hope very much that again this year the tobacco bought by The American Tobacco Company will give the farmer a handsome return.

Cordially yours,

GEORGE W. HILL,
President.

PARLIAMENTARY CIGARETTE SMOKERS

Mr. James Maxton and Mr. James Marley have the distinction, if distinction it can be termed, of being two of the heaviest cigarette smokers amongst members of the British Parliament, according to the Irish Tobacco Journal.

Mr. Maxton's average consumption of cigarettes is forty a day, but I hear (says a correspondent) that he is far outpaced by Mr. Marley, the Socialist member for North St. Pancras, who is credited with a record of sixty a day.

Mr. Baldwin is, of course, an inveterate pipe smoker and would derive very little satisfaction from a cigarette, although he might accept one from a friend as a mere matter of courtesy.

Mr. Neville Chamberlain, Mr. Churchill, Mr. Lloyd George, Mr. MacDonald and Mr. Thomas enjoy a good cigar, but Mr. Thomas is also rather partial to a pipe.

PORTO RICO SUFFERS SEASONAL DULLNESS

Business in general has been suffering from a seasonal dullness with but little prospect for improvement before fall. Collections from current transactions are fairly satisfactory but likely to tighten up during the next few months. Probably not more than 10 per cent. of the tobacco crop has been sold with top prices for the best grades ranging around 23 or 24 cents per pound (*McKey*).

DIAMOND MATCH DIVIDEND

The new common stock of the Diamond Match Company was put on a one dollar annual dividend basis last week by the declaration of an initial quarterly dividend payment of twenty-five cents a share, payable September 1st to stockholders of record August 15th. The company was reorganized last year.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

LEGISLATION legalizing the trade practice conference work of the Federal Trade Commission and providing for a judicial review of rules which the commission refuses to accept but which an industry desires to put into effect, is expected to receive consideration at the next session of Congress.

Demand for Congressional action arises from the commission's recent review and revision of something like 100 "codes of ethics" adopted during the past years by as many industries, in the course of which many important rules were rewritten as a result of representations that, as originally adopted, they might be used in such a manner as to violate the Federal statutes relating to price fixing. These rules dealt with such matters as discounts, secret rebates and discriminations in price as between customers, in many industries considered highly important.

As it stands now, it is pointed out, the trade practice conference expresses the sentiment of the industries with respect to certain practices, the rules adopted at such conferences being divided into two groups, one dealing with matters on which the courts have passed and the other dealing with practices which an industry may condemn but which have not been judicially determined to be in violation of the law.

The plan of proponents of trade practice legislation is to give these "codes of ethics" legal standing and to include a provision whereby the courts may pass upon the rules which the commission does not see fit to approve.

It is expected that a meeting of the Congress of Industries, probably to be held at Nashville, Tenn., sometime next month, will be called for the purpose of considering this subject. The matter is one of great importance to all lines of business, and many complaints have been voiced regarding the manner in which the commission has treated rules highly desired by industries but which the Government agency has refused to approve.

General Reorganization of Wages Seen

Business concerns which find themselves unable longer to withstand the pressure of depression will not be asked further by the Administration to continue payment of 1929 wage scales, it is indicated by Secretary of Commerce Lamont in a letter to Representative Francis P. Condon, of Rhode Island, answering a protest to the President against the cutting of wages by manufacturers of that state.

Declaring that "no one could have done more to maintain wage rates" than the President, Secretary Lamont admits that many corporations, which have been endeavoring to keep wages at 1929 levels, are finding themselves with depleted reserves and faced "with the prospect of closing down altogether and thus creating more unemployment or, alternatively seeking temporary wage reductions."

Prolongation of the depression, Mr. Lamont points out, finds many corporations which were not well protected by reserves accumulated in years of good business facing an extremely difficult position. Many of them, he comments, have already cut dividends and salaries. Others must close down or cut wages.

"I very greatly regret that these cases should occur," he said, "but I do not believe it is the duty of the Government to interfere in such cases—neither do I think such interference could be effective."

The Secretary's letter, it was made clear by administration leaders, does not indicate any change in the policy of wage maintenance, but is merely the recognition of a condition which prevails in many businesses. Condoning the cutting of wages in such instances, the administration is still insistent that, where possible, employers shall continue to observe predepression pay scales. In the case of concerns which must make cuts or close down, it is held that employment at lower wages is preferable to no work at all.

However, it is pointed out in other quarters, if hard-pressed companies cut wages and thus lower costs of production, competing concerns which otherwise might continue to maintain wages will find it necessary either to follow suit or dip into rapidly depleting reserves in order to meet the lowered prices. On the whole, it is anticipated, a general reorganization of wage rates will gradually come about, labor, it being explained, being able to take a cut if by so doing full time work can be secured, in view of the fact that the dollar today will purchase more than for some years past.

Further Study of Credit and Installment Retail Sales Planned

A further study of the trends of credit and installment sales in a number of leading retail lines, covering the first six months of the current year, is being conducted by the Department of Commerce in an effort to secure additional information as to the extent to which the prolonged business depression has affected credit payments and bad debt losses, it has been announced by Frederick M. Feiker, director of the bureau of foreign and domestic commerce.

The department's survey will cover the activities of retailers in selected activities in 25 leading cities, to whom questionnaires are being sent and, as in previous surveys, the present study will involve the collection of

(Continued on Page 18)

UNITED CIGAR STORES COMPANY PROFIT

THE REPORT of United Cigar Stores Company of America for the six months ended June 30, 1931, shows net profit, including $585,384 reserve for outstanding premium certificates written back on termination of redemption privilege, of $340,453 after depreciation, amortization, interest, etc. Excluding reserve of $585,384 premium certificates written back, net loss for the period was $244,931. In the first six months of 1930 the company reported loss from store operations of $524,722 and profit from real estate and financial operations of $755,656. Proportion of loss of Happiness Candy Stores, Incorporated, and its subsidiaries applicable to United's holdings in that company, was $219,232, leaving combined net profit for first half of 1930, of $11,702, equal to six cents a share on 192,000 shares of 6 per cent. preferred stock then outstanding.

Consolidated income account for six months ended June 30, 1931, follows: Sales, $42,071,543; rents received, $6,240,280; total income, $48,311,823; costs, expenses, rents, depreciation and amortization of leasehold improvements, $48,101,345; profit on store and real estate operations, $210,478; interest and dividends received, $271,364; net profit on sale of leaseholds, mortgages and real estate, $80,439; reserve for outstanding premium certificates written back on termination of redemption privilege, $585,384; gross income, $1,147,665; interest and amortization of debentures, $807,212; net profit, $340,453.

STORE INDIAN ALMOST DROWNED

John Birch, of this city, attempted to engage the cigar store Indian, which has been on duty at the cigar store at Fourth and Race Streets for many years, in conversation one evening last week.

And after repeated efforts on the part of Mr. Birch failed to get a response from the Indian, Mr. Birch decided the Indian was a little too snobbish and needed to be taught a lesson from his "betters." Accordingly he grasped the Indian around the neck and vowed he would throw him in the river if he didn't talk, but the timely arrival of a police officer saved the Indian from further indignities, and Mr. Birch was carted off to the "hoosegow," where he was declared intoxicated.

B. & W. "TARGET" SALES INCREASING

The Brown & Williamson Tobacco Corporation, Louisville, Ky., have seized the opportunity at hand to place a new package on the market in the Southern States which is meeting with considerable success.

Noticing a recent astounding increase in sales of its "Golden Grain" flaked tobacco, the company hit on the reason, and decided that it was a matter of economy among smokers together with aversion of the smokers to the State sales taxes on cigarettes, so they have placed on the market a package containing a sufficient quantity of tobacco to make thirty cigarettes, the necessary cigarette papers, a tin case to hold twenty cigarettes, and a handy cigarette rolling machine, and the package is marketed under the brand name, "Target."

The company claims that by using their "Target" brand, that a saving of fifty cents a week can easily be accomplished from your cigarette bill.

The new package has been introduced in Mississippi, South Carolina, Tennessee, Georgia and Arkansas.

CIGARETTE PRICES AND THE MARKET

THE RECENT increase in the price of cigarettes undertaken by the manufacturers of the "Big Four" may well develop into a tax issue at forthcoming session of the Virginia legislature. North Carolina, which leads all the states in the volume of cigarettes manufactured, is already raising a lusty howl over a concerted price increase designed to produce a 7 per cent. lift in sales revenue and is eagerly awaiting the opening of the tobacco markets to see if it is to be passed along to the producers in the way of higher prices. Just now, the issue is paramount in North Carolina where for four months the General Assembly debated furiously a luxury sales tax to be imposed on cigarettes as well as other commodities. The tax bill failed of passage in the Senate. Not many weeks after this historic session, the makers of the four brands of cigarettes, acting strangely in concert, raised the wholesale price of cigarettes which will bring an increased return of forty-five million dollars annually.

It is natural that the growers, smarting under the low level of prices which have obtained for the past few years, should be clamoring for a proportionate increase in their return through a more generous attitude towards them by the buyers of the big companies. They have always felt that they held the loose end of the bag and have complained, rightly, the *Register* believes, of the unequal distribution of income from a product becoming increasingly popular.

The Virginia legislature meets in January. It will be in the midst of a new marketing period and by that time will have been demonstrated whether or not the companies are prepared to pass their gains along to the producer. If beggars' prices continue to prevail with the offering of a crop rich in the types sought chiefly by the cigarette trade the manufacturers may well look for some legislative action in the way of a cigarette tax through which some of the excess profits may be annexed by the state making possible relief in taxes required by the farmer.

There is one bright streak on the horizon, the suggestion coming from officials of one of the "Big Four" companies that leaf price levels will be raised this year. If one company determines on this policy it is just as certain that the others will follow suit and the opening of the markets in Georgia will claim an extraordinary interest throughout all of the tobacco belts because the prices there will be an index to the future.—(*Danville, Va., Register.*)

TOBACCO ADVERTISING

According to figures furnished by Dorrance, Sullivan & Company, Inc., advertising agents, of New York City, the tobacco industry spent $421,602 for advertising in National magazines in July, 1931.

The number of firms involved was fourteen, and the products advertised were as follows: Cigarettes, $347,029; cigars, $12,750, and tobacco and smokers' supplies, $61,823.

MacANDREWS & FORBES EARNINGS

MacAndrews & Forbes Company reports for the six months ended June 30th earnings equal to $1.10 per share, compared with $1.31 per share in the first half of last year.

DO YOU HAVE AN ASH TRAY IN YOUR CAR?

A SEATTLE, Washington, newspaper puts forth the query: "Do you have a little ash tray in your automobile?" And if you do not have one, did you know that its lack violated one of the laws passed by the recent legislature in that state, and now in full force?

So if you are touring through that state it might be well to attend to this little detail.

The newspaper article states also, "We don't know just how this law will be enforced, but it would be wise to get those ash trays and fulfill your obligation to law and order. Of course the purpose of the measure is to keep cigarette stubs inside automobiles and to minimize the danger from fire attendant upon scattering the lighted stub end of cigarettes or embers from a pipe over the landscape. So you must not only have the ash trays, one for each compartment your car boasts, but you must also use them.

And we don't know whether or not there will be ash tray inspectors. There may be; at least there'll be an ash tray superintendent, who can submit an annual report upon the ash tray business in general and, perhaps, recommend a variety of tray that can't be knocked out of its holder and spill over onto the picnic lunch. The auto owner who sallies forth on the highways after this will have to be careful to see that he has his driver's license, that the car is duly licensed, with license aboard and license plates properly placed, that the headlights are the right kind and properly adjusted, that there are no bottles around that might in any way arouse suspicion, and that ash trays are in place. Otherwise he'll come to grief. But it may be that if the ash tray inspectors are no more successful in enforcing the new law than officers in the past have been in properly regulating headlights, they will not accomplish very much.

Of course all this is all right. We don't want fires, and if ash trays will prevent them, that's good. But we're inclined to doubt the efficacy of the arrangement. And it's another law, hedging us around still more, when we're already hampered by so many laws that the best intentioned of us have been converted into law breakers. Most of us probably would feel a little more kindly toward these petty annoyance laws if we were sure that some of our more elementary laws, such as those against theft and murder, were being enforced with reasonable success.

CIGARETTES HERE BEFORE 1878

E. Rollins Morse, in a letter to the *New York Herald-Tribune,* gives the following data in reference to cigarettes being in use in this country for many years prior to 1878:

"In your issue of today is a quotation from *The Pathfinder* dating the introduction of cigarettes in America and Europe as 1878, and tracing it to the visit of the then Prince of Wales to India. In fact, cigarettes had been in use in America for very many years at that time. They were brought from Cuba, and one of the favorite brands was called 'Honradez.' Some were wrapped in a brown covering called licorice paper, supposed to be dipped in that extract, but all the paper was rather thick and the smoker generally rolled it in his fingers before lighting it.

"Then came the Egyptian cigarette—probably 1878—which was wrapped in much thinner paper, which attracted every one, and some preferred the tobacco. This explains the date assumed by *The Pathfinder.* The facts I give are taken from my personal experience."

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

NICHOLS WILL CONTINUE ON "BELINDA"

EVER SINCE the merging of the interests of the Havana cigar firms, Jose Gener, manufacturer of the "Hoyo de Monterrey," and Fernandez, Palicio y Cia., manufacturers of "Belinda" and "Punch," the question of representatives in this country has been somewhat in doubt.

However, news has arrived from Havana that Nat E. Nichols will continue to represent the "Belinda" and "Punch" brands in this country, and his many friends in the trade will be glad to learn that arrangements have been definitely settled in this respect.

MANILA CIGARS IMITATED IN CHINA

Reports have been reaching Manila that Philippine cigars are being imitated in Hong Kong, China, and the Straits Settlements, as a result of which the real Philippine product is meeting extremely severe competition in those countries. Copies of genuine Manila cigars and internal revenue stamps have been forwarded by local government officials for the guidance of the Government authorities of those places in their efforts to correct the situation. It is alleged that cigar factories in Hong Kong, Singapore and China make almost an exact imitation of Manila cigars, and distribute them in their local communities as though they came from the Philippine Islands, but at prices considerably below Manila cigars. The Tobacco Board, of which the Internal Revenue Collector is the chairman, is expected to meet immediately for the purpose of working out plans for preventing this imitation in neighboring countries.—*Assistant Trade Commissioner Clarence P. Harper.*

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

HIMYAR:—45,924. For all tobacco products. July 23, 1931. Axton-Fisher Tobacco Co., Inc., Louisville, Ky.

ARMOUR CLAD:—45,925. For all tobacco products. June 18, 1931. Consolidated Litho. Corp., Brooklyn, N. Y.

TRANSFERS

EL THACERA:—17,905 (Tobacco World). For cigars, cigarettes, chewing and smoking tobacco. Registered May 28, 1909, by J. M. Stoever, Philadelphia, Pa. Transferred to Arguelles, Lopez & Bro., Inc., Tampa, Fla., and re-transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

ARGELINA:—13,208 (Trade-Mark Record). For cigars. Registered January 27, 1894, by Geo. S. Harris & Sons, Philadelphia, Pa. Through mesne transfers acquired by Arguelles, Lopez & Bro., Inc., Tampa, Fla., and re-transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

BILLEE TAYLOR:—15,013 (Tobacco Leaf). For cigars. Registered April 14, 1898, by Wm. Taylor, New York, N. Y. Transferred to Arguelles, Lopez & Bro., Inc., Tampa, Fla., and re-transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

LA SISTINA:—24,420 (Trade-Mark Record). For cigars. Registered April 17, 1901, by Geo. Schlegel, New York, N. Y. Through mesne transfers acquired by Arguelles, Lopez & Bro., Inc., and re-transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

ARCHIMEDES:—6328 (Tobacco Leaf). For cigars. Registered March 4, 1892, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

STEPHENSON:—6447 (Tobacco Leaf). For cigars. Registered April 8, 1892, by Arguelles, Lopez & Bro., New York, N. Y. Transferred to Burke & Haas, Tampa, Fla., July 28, 1931.

NETHERLANDS TOBACCO IMPORTS DECLINE

Imports of leaf tobacco of all kinds, except Kentucky and Cuban leaf, declined in the first quarter of 1931 in comparison with the same months in 1930, total leaf imports from January to March, 1931, amounting to 7735 metric tons valued at 8,021,000 florins compared with 8011 metric tons imported in 1930 valued at 9,144,000 florins. The decline in receipts in the Netherlands of leaf tobacco of all kinds averaged less than 100 tons per month, but the fall in value of the shipments amounted to around florins 374,000 ($146,600) per month. The average price level of tobacco was considered low in the beginning of 1930 when the average price was florins 0.51 ($0.2040) per pounds avoirdupois, but in the first quarter of 1931, the average price was only florins 1.04 ($0.1880) per pound. This change does not seem large, but if the scale of prices continues throughout the year, the total decline will amount to more than $1,500,000. It is stated in the tobacco trade that the smaller quantity imported is not due to the slackening of the tobacco manufacturing industry, but to the fact that the manufacturers are carrying smaller reserve stocks than formerly.—*American Consul General Charles L. Hoover.*

News from Congress

(Continued from Page 15)

data covering open credit and installment sales in proportion to total sales, collection percentages on both types of credit transactions, returns and allowances as percentages of gross sales, and losses resulting from fraudulent buying and passing of bad checks.

"Our previous semi-annual surveys in the retail credit field, covering the entire year 1930," Director Feiker declared, in discussing the survey, "have indicated that on the whole the American people were meeting their open credit and installment obligations in an orderly manner, and that new commitments were being assumed in very nearly the same proportion to cash sales as formerly. The data so far obtained go far to support the view that retail credit has stood the test of depression in a highly satisfactory manner.

"The new figures will be watched with interest for the further evidence they will present as to the stability shown by the country's retail credit structure under test."

Investigating Cigarette Price Increase

Possibilities of violation of the antitrust laws in the recent increase in cigarette prices recently made by four of the largest producers are being studied by the Department of Justice, as a result of complaints filed by the American Wholesale Grocers' Association and eight other persons or organizations.

Made almost simultaneously, the increases in prices, the complaints alleged, indicated possibilities of joint action by the tobacco companies which would render them amenable to the law. The department's inquiry will be directed toward determining whether the companies acted jointly in an alleged price-fixing combination in violation of the Sherman Antitrust Law.

Inasmuch as investigations of this nature usually require considerable time for their completion, it is probable that sometime will elapse before the Attorney General decides whether prosecutions are warranted.

PER CAPITA CONSUMPTION OF CIGARS AND CIGARETTES IN UNITED STATES

The consumption in cigars and cigarettes in the United States is reported in a recent publication of the Department of Commerce and below is shown per capita consumption of these two commodities for a period of five years:

Cigars

	Total	*Per Capita*
1925	7,408,332,000	64
1926	7,346,668,000	63
1927	7,348,666,000	62
1928	7,175,485,000	60
1929	7,275,192,000	60
1930*	6,589,439,000	53

Cigarettes

	Total	*Per Capita*
1925	78,721,305,000	694
1926	88,740,053,000	762
1927	97,308,258,000	823
1928	105,554,283,000	881
1929	117,963,870,000	971
1930*	115,379,197,000	937

*Preliminary.

286.81
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LIBRARY RECEIVED 1931 U. S. Department of Agriculture

SEPTEMBER 1, 1931

VOLUME 51

THE TOBACCO WORLD

Autokraft Holiday Packages Are Excellent Salesmen

AUTOKRAFT BOX CORPORATION offers the suggestion that it is not too early to anticipate the requirements for the one-fortieth wooden cigar box which is always a popular-sized package during the Holiday Season. The normal orders for the one-twentieth container are frequently delayed in October and November by reason of late "RUSH" orders for the one-fortieth box.

AUTOKRAFT BOX CORPORATION is prepared to meet unusual requirements for prompt service, either for the one-fortieth or the one-twentieth package. It would, however, greatly facilitate their production problems if the orders for one-fortieth containers were placed as soon as possible.

It offers to the cigar manufacturing trade a NATION-WIDE SERVICE, supported by an organization equipped to produce the highest grade of wooden package and to guarantee a delivery of exacting promptness.

May we have the pleasure of serving you?

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

SALES RESISTANCE

Sometimes begins at home. If you use containers that conceal the sales points of your cigars (size, shape and color) don't expect customers to use clairvoyance in selecting your brand.

Wooden Boxes permit smokers to see the whole cigar at a glance, improve the aroma, and allow cigars to mellow as they should—in the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — Number 17

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
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$2.00 a Year — PHILADELPHIA, SEPTEMBER 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

BEFORE we proceed with our discussion of conditions in the cigar industry, we introduce the records of the Internal Revenue Bureau, as interpreted by us, covering the cigar withdrawals for the months of July from 1920 to 1931, inclusive:

Cigar Withdrawals for the Months of July

1920	678,751,956	1926	568,553,475
1921	564,604,797	1927	561,199,298
1922	585,874,114	1928	558,205,683
1923	589,176,020	1929	589,282,068
1924	595,063,302	1930	532,805,120
1925	575,822,936	1931	478,900,849

If we assume that July, 1920, was the peak year, then in twelve years the withdrawals for succeeding months of July have decreased by more than 199,800,000. In the August 1st issue of the TOBACCO WORLD our resume indicated that over the same period of June months cigar withdrawals had decreased by more than 190,500,000. So that in two out of twelve months, over a period of twelve years, cigars have decreased by more than 390,000,000. Based on present figures it would not be a very great hazard to multiply by the numeral 6.

Unpleasant as it is to do so, we might call attention to the fact that the figure of 478,900,849 is by far the lowest in the July months for the twelve-year period cited.

We freely concede that nearly all business is far below normal and that the cigar industry must suffer its fair share of the "depression."

Publicity coming to this office, and information through other channels, tells us that this or that firm, or corporation, is showing an increase in cigar sales. This is evidence of the power of advertising to direct the smokers to brands which are given the impetus of newspaper, magazine, billboard and radio publicity.

We think it is a fair question to inquire where these progressive manufacturers expect to head in for port when the competition has resolved itself to a comparatvely few concerns who must fight to their last financial resource to retain their prestige in the field?

Will the smoker walk into the cigar store and be told, "Take your choice of these brands of cigars, they are the only ones procurable today"?

We believe thoroughly in the adage, "Live and let live." We even doubt that human nature will permit old favorites to be crowded from the retailer's counter. If our own instincts are correctly founded, we are right when we say that such an attitude immediately arouses a spirit of antagonism.

After all every stockholder or individual manufacturer is interested in the increase of cigar sales. And a large doubt arouses itself in our mind that even if the cigar industry could be forced into the hands of a few large corporations that there would be any increase in cigar withdrawals under present conditions.

We have been patiently watching cigar withdrawals, seeking in the Internal Revenue Bureau's figures some encouragement from the statements from various sources as to the tens of thousands of letters that radio programs have produced.

This is all very fine, but what we are most interested in is to secure a definite check on the number of new cigar smokers created, and how many more confirmed smokers are increasing their consumption of cigars as a result.

There is no obligation to marry the thought, but it occurs to us that regardless of the individual progress of concerns in an industry, unless that industry is going ahead as a whole there will be no ultimate success. And we are of the opinion that success bought by individual concerns, at the expense of the many, will be dearly paid for eventually in a steadily declining industry. A companionate engagement with these ideas may, or may not, be of profit or consolation in the months to come.

We are not selling insurance on our ideas, but we do present figures which indicate that there is some basis for our belief that the cigar industry has a large problem to face.

Cigar smoking is a habit. At least we think so. The decreasing number of smokers of higher grade cigars may be due either to a lack of purchasing power, or to a belief that today most cigars taste about the same, due to the non-porous covering.

We have constantly in our office boxes of cigars some of which are wrapped in the lucid covering, and others in their natural wrapper packed in boxes in which Spanish cedar has been introduced in whole or in part.

Our friendships extend far beyond the limits of the cigar industry and as a consequence we have many visitors totally unfamiliar with its problems.

Our procedure is to offer the the visitor two cigar boxes. We ask their reaction as to the tobacco bou-

(*Continued on Page 15*)

PHILADELPHIA.

"HAVANA RIBBON" SALES UP

AT HEADQUARTERS of Bayuk Cigars, Incorporated, Ninth Street and Columbia Avenue, they report splendid headway is being made on obtaining wider distribution and promoting sales of the Bayuk "Havana Ribbon" Perfecto Extra cigars. Orders are being received in increasing volume and reports coming in from all parts of the country indicate that this size is making a very strong appeal to the smoker.

R. M. King, of the King Cigar Company, Flint, Mich., called and paid a visit at Bayuk headquarters last week. Mr. King is president of the King Cigar Company, distributors for Bayuks in that territory.

V. A. Gables, Pacific Coast territorial manager for Bayuks, is doing some very effective promotional work for the Oakland Tobacco Company, Oakland, Cal., distributors of Bayuk "It's Ripe Tobacco" cigars.

The Callum Tobacco Company, Greensboro, N. C., is increasing distribution and sale of Bayuk cigars in that section of North Carolina.

J. P. Webster & Son, Weatherford, Tex., have acquired the distribution of Bayuk cigars for their territory. They also have branches at Cisco, and Breckenridge, Tex.

H. A. Marr, grocer, of Amarillo, Tex., has also been added to the list of Bayuk distributors in Texas territory.

VACATIONS

Joseph Wagner, of John Wagner & Sons, Dock Street, distributors of cigars, tobacco, etc., left last Thursday for a vacation trip to British Columbia. He expects to be gone about a month.

Gus Spear, manager of the cigar department of the Union League, is spending his vacation in Atlantic City, as is also Mr. Wallace, of the cigar department of the Penn Athletic Club.

SAM ADLER IN TOWN

Sam Adler, representing the Villazon & Company factory in Tampa, was a recent visitor in town, returning from a vacation spent at Atlantic City.

Mr. Adler reports a satisfactory demand for his brand, and was on his way to New York, where he will spend some time before proceeding on a trip through the West in the interest of his factory.

CONGRESS BUSINESS HOLDING STEADY

AT THE Congress Cigar Company headquarters, Third and Spruce Streets, they report a nice steady business on their brand, "La Palina" and "La Palina Pals."

Willis Andruss, general sales manager of the company, has just returned from a trip through the northern part of the State of New Jersey, visiting jobbers and distributors of his brands, and reports the demand on "La Palinas" fully up to expectations, and entirely satisfactory in view of present business conditions.

GARCIA & VEGA BUSINESS GOOD

John Wagner & Sons report business on Garcia & Vega brand running along at a good pace, and business on the new "Regalia" size is particularly good. Ben Lumley, Garcia & Vega representative for this territory, has just come in from a trip through his territory and reports a highly satisfactory number of orders received, and found his brands enjoying an excellent sale.

The "Monticello," a controlled brand of the Wagner firm, is enjoying a splendid sale in the clubs and high-grade retail stands in this vicinity, and this firm also reports that business on their imported brands is fully equal to the volume on these brands for the same period last year.

The Wagner firm has just received a large shipment of "Don Sebastian" cigars from Arango y Arango, Tampa, Fla., in several popular sizes packed in a Boite Nature box with cedar sheets between each layer of cigars and without the transparent wrapper. Within twenty-four hours after this package had been shown to the trade, more than 80 per cent. of the shipment had been disposed of and delivered to the retailers throughout the city. These Boite Nature packages are being sold to the trade at no additional cost and are receiving an enthusiastic reception.

NEW FACTORY FOR CONSOLIDATED

Preliminary plans are being prepared here for a manufacturing building to be erected at Eleventh and Wharton Streets, this city, for the Consolidated Cigar Corporation. The proposed building is to be six stories and basement, of brick and re-enforced concrete construction.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

Touch your Adam's Apple with your finger. You are actually touching your larynx—this is your voice box—it contains your vocal chords. When you consider your Adam's Apple, you are considering your throat—your vocal chords.

"It is part of my business to notice the types of tobacco bought by various concerns. In all instances, The American Tobacco Company's buyers select that rich, mellow type of tobacco that the farmer justly calls 'The Cream of the Crop' for their brand of LUCKY STRIKE."

These are the very words of an experienced tobacco buyer on the Southern market.

LUCKY STRIKE not only promises but gives you the very finest of each season's tobacco crop. We pay the highest prices, to be sure of getting the Cream of the Crop. And then to be sure that you get the greatest enjoyment, we "TOAST" these fine tobaccos—thereby expelling certain harsh irritants present in all raw tobaccos. These expelled irritants we sell to manufacturers of chemical compounds. LUCKIES are always kind to your throat. Be careful in your choice of cigarettes.

TUNE IN—The Battle of Music—Regular Lucky Strike Dance Orchestra vs. Lucky Strike Summer Party Orchestra—N. B. C. networks every Tuesday, Thursday and Saturday—mail your choice to Lucky Strike, 111 5th Ave., N. Y. C.

© 1931, The A. T. Co., Mfrs.

"It's toasted"

Including the use of Ultra Violet Rays

Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

BAYUKS WIN ANOTHER DECISION

BAYUK CIGARS, INC., of Philadelphia, have been granted another preliminary injunction in the Supreme Court of the State of New York affecting the use of the name or word "Philadelphia" for cigars. This most recent order, which enjoins Charles Schravien, *et al.*, of that city from using the word "Philadelphia" on or regarding cigars, follows close on the heels of two similar restraining orders secured by the Bayuk Company in New York courts.

In its application for the injunction, which was heard by Justice Peter Schmuck, the Bayuk Company claimed a common-law trade name in the word "Philadelphia" in connection with the sale of cigars. The company further maintained that the defendants were guilty of unfair competition through the simulation of boxing and labels using the name "Philadelphia." Finally, the defendants were accused of fraudulently passing off their goods as cigars made by the Bayuk Company.

In his court order, which gave the Bayuk Company relief on all the grounds covered by its complaint, Justice Schmuck stated that "the court believes the plaintiff is entitled to all the relief requested because the defendants are guilty of unfair competition." The decision further states that the plaintiff, the Bayuk Company, "has obtained a pre-eminent position in its particular line of endeavor." Continuing, the order reads that the Bayuk Company "has acquired a reputation which is tersely and comprehensively included in the name or word 'Philadelphia.' Particularly in this instance is plaintiff entitled to protection, for the cigars of the defendants are so presented and boxed as to require the most critical examination to discover any difference."

Finally, the order states that "defendants' labels and bands are so grossly a colorable imitation of those of the plaintiff's as to be an infringement of plaintiff's right demanding the law's protection, for by use and association, so far as cigars are concerned, the word 'Philadelphia' has acquired a secondary meaning, indicating that the goods bearing that word came only from one source, and that source being the plaintiff's," Bayuk Cigars, Inc.

Further court action is planned by the Bayuk Company against manufacturers, distributors and retailers wherever similar uses of the name "Philadelphia" occur.

DRUG, INCORPORATED, EARNINGS INCREASE

Drug, Incorporated, holding company for the Liggett Drug Store properties, reports an increase in earnings during the first half of this year over the same period of 1930.

Net profit for the period this year was $10,656,054, equivalent to $3.04 a share, as compared with $10,542,007, or $3.01 a share, in the first half of 1930.

TOBACCO AND SALT PAY ITALY'S ARMY

Italians spend on salt and tobacco almost the exact sum that the nation spends on her land and naval forces, or approximately $213,000,000 a year.

The sale of tobacco and salt in Italy is a government monopoly, which makes better than 75 per cent. profit. It is reported that the government gets seventy-seven cents of every dollar spent for these commodities in Italy.

REYNOLDS PRESIDENT TALKS ON RADIO

FOLLOWING an invitation to talk over the Raleigh, N. C., radio station in a program known as "Carolina Echoes," S. Clay Williams addressed radio listeners on August 8th, over that station, on the subject, "The Tobacco Industry in North Carolina."

In the course of his address Mr. Williams talked specifically to the tobacco growers in that section of the country, explaining the policy of the R. J. Reynolds Tobacco Company in making their tobacco purchases and also pointing out to the growers some of the causes of their troubles.

Mr. Williams' speech in part was as follows:

"North Carolina has attained such an exceedingly important position in the tobacco industry that there is scarcely a citizen of the state who is not interested in that industry. Of course the growers, the manufacturers and the distributors and all of their associates are directly interested but even one who neither grows nor manufactures nor consumes tobacco products has his relationship to the industry and is interested in it through its vast contribution to the state tax fund.

"According to the July announcement of the United States Department of Agriculture at Washington, the total acreage set to tobacco in the eight states producing non-cigar types is approximately 1,900,000 acres. Out of this total North Carolina is accredited with 722,000 acres, more than 38 per cent. of the total and nearly 25 per cent. more than the acreage in the next most important state, which is Kentucky. According to a study recently made by T. J. Woofter, Jr., of the University of North Carolina, the average tobacco acreage per farm usually runs from four to five acres. When one realizes that on this basis 722,000 acres means 150,000 farms, and then multiplies the number of farms by the four or five members of each family tilling those farms, it appears at once that well above one-half million of the citizens of North Carolina are directly interested in the growing of leaf tobacco. Under these circumstances the price of leaf tobacco and the status of the tobacco and cigarette industry can never be unimportant in North Carolina.

"Without commenting on the thousands of other citizens interested as supply merchants, warehousemen, bankers and otherwise, we have in North Carolina a concentration of the manufacturing end of the tobacco industry that even exceeds our concentration in leaf growing. For some reason those identified with the manufacturing end of the tobacco industry in North Carolina have been able to attract to this state from all over the world liberal amounts of capital for investment in tobacco manufacturing. This fact partially accounts for the comment sometimes heard on the disparity between developed values in the Piedmont section of North Carolina and developed values in other parts of the state. This apparent disparity is not anything like so much a disparity between developed values in one section as against another as it is a disparity between one section as against another. Many other industries in Piedmont North Carolina, where the tobacco manufacturing industry is located, have, like the tobacco industry, been able to attract into North Carolina vast amounts of what might be called foreign capital—capital which does not normally belong in North Carolina and is not owned by its people, but which nevertheless has been attracted to and put to work in North Carolina with the result that it is affording enormous volumes of employment

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To smokers who are HARD-TO-CONVINCE

We like nothing better than to induce a hard-to-convince smoker to switch to Camels for just one day.

For we know that after he has made a real test, it will be mighty hard to lure him away from this famous brand. It's not easy to smoke parched-dry cigarettes once you have known the delights of perfectly conditioned Camels.

After inhaling the cool, soft fragrance of the Camel blend of choice Turkish and mellow Domestic tobaccos protected by the Humidor Pack, your throat protests against the bite and sting and harsh hotness that comes from crumbly, dry tobacco.

No matter where you pick them up, in any land, in any climate, Camels are the same fresh, factory-prime cigarettes.

For the Humidor Pack of moisture-proof Cellophane air-seals all the flavor in and keeps out weather, dust and germs.

This is no mere advertising story. It is a recitation of fact that has made the whole country conscious of a new superiority in Camels.

If you are hard to convince, won't you switch to Camels for just one day? Then leave them — if you can.

● *Don't remove the moisture-proof Cellophane from your package of Camels after you open it. The Humidor Pack is protection against sweat, dust and germs. It delivers fresh Camels and keeps them right until the last one has been smoked*

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

CAMELS

NO CIGARETTY AFTER-TASTE

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

RADICAL revision of our present tariff policy, depriving manufacturers of commodities meeting little or no foreign competition in American markets of the protection accorded them under the Hawley-Smoot Tariff Act, is expected to be sought next December by the so-called Progressive group in Congress.

Features of the plan, it has been learned, are the transfer to the free list of manufactures now given protection, when the imports of foreign competing merchandise are less than 5 per cent. of the domestic consumption, and a 25 per cent. cut in the rate on manufactures on which the foreign competition ranges between 5 and 10 per cent.

At the same time, it has become known that Democratic leaders are giving consideration to plans for a flat 20 per cent. cut in the tariff rates on all manufactures.

Neither plan, it is understood, contemplates any changes in the agricultural tariffs, both attacks being aimed at the excessive protection which it is alleged the 1930 Tariff Act conferred upon the manufacturing industries.

While neither the Democrats nor the Progressives alone will be able to muster sufficient number of votes in either House to carry their tariff proposals, a coalition between the two would develop a decisive majority. Accordingly, it is anticipated, the next session of Congress will see efforts on the part of the leaders of the two groups to agree upon a joint program, it being believed that the Progressives, if opposed in their plan to base rates of duty upon the proportion of imports, would accept the Democratic proposal for a horizontal reduction.

Postage Rates Increased to England, Canada, Ireland and Newfoundland

Effects of world depression are seen in the recent action of Canada and Great Britain in raising their rates of postage on mail for the United States, as a result of which the Port Office Department has ordered increases in the rates to those countries.

Effective September 1st, the rate of postage on letters for Canada and Newfoundland was increased from two to three cents for each ounce or fraction thereof and the rate on postcards was increased from one to two cents. The rate of postage on air mail is now six cents for the first ounce and ten cents for each additional ounce or fraction thereof.

On the same date the first class rate on letters to Great Britain, Northern Ireland and the Irish Free State was increased from two to five cents for the first ounce or fraction thereof and three cents for each additional ounce or fraction thereof. The rate on postcards was increased from two to three cents each.

A. F. L. to Fight Wage Decreases

Declaring that reductions in the purchasing power of the workers of the country will only react to the disadvantage of prompt recovery from depression, William Green, president of the American Federation of Labor, has served notice that his organization will vigorously fight any concerted attempt on the part of manufacturers and business men to revise wage scales downward.

The Federation, Mr. Green declared, "is firmly of the opinion that the distressing unemployment situation can be overcome only through the development of the purchasing power of the masses of the people to its maximum capacity."

The purchasing power of more than 6,000,000 wage earners has been totally destroyed by unemployment, he asserted, and millions of others have had their purchasing power reduced by being put on part-time employment. "The many millions of dollars which have thus been lost will never be retrieved," Mr. Green pointed out. "The amount of goods this vast army could have bought and consumed if they could have been maintained in reasonably steady employment would have prevented a continuation of the distressing situation which now exists.

"In the light of these economic facts it is amazing to observe the statements of some who propose a further impairment of the purchasing power of the limited number of workers now employed through the imposition of reduction in wages."

Tax Increases Being Discussed as Aid to Unemployed

Possibilities of increases in existing taxes and reimposition of some of the excise taxes in force during the war period are being discussed in interested circles throughout the country as necessary if the Federal Government is to give aid to the needy unemployed this winter or attempt to reduce the deficit, it is indicated by reports reaching Washington, but so far have been given little or no consideration here.

With three months still left before Congress convenes in December, administration leaders are waiting to see what conditions are at that time before making any recommendations to Congress as to tax legislation. If possible, the administration plans to get along without any new taxes, believing that a better impetus can be given business revival by assurance of tax stability. When business begins to recover, if existing tax rates do not promise to provide a surplus which will gradually wipe out the deficit tax increases may be resorted to.

Administration leaders in Washington have no intention of developing any sort of a dole system for the

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"BULL" DURHAM BACK TO FIVE CENTS

IN KEEPING with the trend of the times, the price of the popular "Bull Durham" smoking tobacco has been reduced to five cents and the American Tobacco Company is inviting the smoking public to "roll your own" in a newspaper advertising campaign embracing approximately 1900 newspapers throughout the country.

The advertisement contains a statement by George W. Hill, president of the company, reading as follows: "Genuine 'Bull' Durham Tobacco at 5 cents marked the entrance of my father, Percival S. Hill, into the tobacco business. For fourteen years he was president of the American Tobacco Company. The fine quality and popularity of 'Bull' Durham were always subjects of great pride to him. Therefore, it is particularly gratifying to us to offer this important saving and service to the American public at this time."

Reports coming in from jobbers and retailers are to the effect that there has been a tremendous increase in the sales of this popular smoking tobacco since the recent reduction in price.

THWARTS ROBBERY OF CAMDEN FACTORY

The keen hearing of Edward Spiegel, proprietor of the cigar factory at 1205 Broadway, Camden, N. J., resulted in the recovery of $190 worth of merchandise which thieves had carried from his factory building into a vacant store next door, shortly before midnight on last Wednesday.

Mr. Spiegel had locked up the factory late in the evening and gone into a cigar store in the basement of the building, and while there he heard strange noises in the building next door.

He called police and search by them revealed the robbers had carried stock from his factory into the adjoining building before they were frightened away.

Mr. Spiegel manufactures the "Rey Del Aire" cigar, which is enjoying a good sale in Camden.

UNIVERSAL LEAF EARNINGS INCREASE

The Universal Leaf Tobacco Company reports, for the fiscal year ended June 30, 1931, an increase in profits over the preceding year.

Net profit for the period ended June 30 was $1,227,712, equivalent to $5.07 a share on the common stock, as compared with $964,466, or $3.20 on the common shares in the preceding fiscal year.

During the past year there was charged to reserve for contingencies provided for that purpose in 1930, $105,146, covering losses on the sale of capital assets and premiums paid for preferred stock transferred to the sinking fund.

AMERICAN COLOROTYPE COMPANY DIVIDEND

Directors of the American Colorotype Company, which recently absorbed the Moehle Lithographic Company, Incorporated, have omitted the quarterly dividend of twenty cents on the common stock, due at this time. The regular quarterly disbursement of $1.75 on the preferred stock was authorized, payable September 1st to stockholders of record August 20th.

George Reynolds, chairman, stated that while July sales were relatively better than in preceding months and the outlook for fall business "is quite favorable," the directors deemed it prudent to omit the payment of the dividend on the common stock for the third quarter.

LANCASTER CIGAR BOX MANUFACTURER DIES

PHILIP ORGLER, well-known member of the firm of Inland City Cigar Box Company, Lancaster, Pa., passed away at the Atlantic City, N. J., Hospital on Wednesday, August 26th.

Mr. Orgler had been in ill health for some time and was spending some time at the Westminster Hotel in Atlantic City, when he was stricken with a cerebral hemorrhage on Sunday, August 23d, and died in the Atlantic City Hospital on Wednesday without regaining consciousness.

Mr. Orgler had been a member of the cigar box manufacturing concern for a number of years and had a host of friends who mourn his passing.

Funeral services were held in New York City on Friday, August 28th. He was in the sixty-ninth year of his age.

He is survived by a sister, Mrs. R. M. White, of New York City.

TRUCK LOAD OF TOBACCO STOLEN

Early Wednesday morning, three bandits in a flashy yellow roadster forced the driver of a truck loaded with tobacco to stop on the Lincoln Highway north of Trenton, and forced him to leave the truck and enter their car.

The driver was gagged and bound and put out of the car some time later in Pennsylvania and the bandits drove off with the truck. The tobacco was to have been delivered to the United Cigar Stores Company in this city, and truck and contents were valued at $30,000.

The truck was recovered in Philadelphia on Wednesday night and two men were arrested.

REYNOLDS' SON MAY FLY TO ORIENT

Last week a report was confirmed by officials of the American Aeronautical Corporation that Smith Reynolds, North Carolina sportsman, and his small amphibian plane were hoisted last Wednesday aboard the Berengaria on the first stage of a trip to the Orient.

Mr. Reynolds is a son of the late president of the R. J. Reynolds Tobacco Company, and he stated to aircraft officials that he intended to start his flight from Southampton, England, when the ship made port.

His itinerary includes a flight across France and Spain to the North African shore, an over-water circumference of Africa, and a flight across Arabia, Persia and India to Bombay.

COMMITTEE TO FOSTER CO-OPERATIVES

The Four-State Tobacco Committee, met in Raleigh, N. C., on August 22d, with representatives of the Federal Farm Board present, and decided to proceed with efforts to organize co-operative marketing associations among the growers of the Carolinas, Virginia and Georgia.

A resolution was adopted providing for the appointment of a committee in each state to seek to get a definite commitment from each of the states by September 1st.

DAVE MORRIS IN NORTHWEST

Dave Morris, associated with C. A. Bond, tobacco agent for the Philippine Government, is visiting retailers and distributors of Manila cigars in the State of Washington, and reports business on Manila brands showing a decidedly encouraging trend.

DUYS AGAIN PROTESTS NAVY USE OF IMPORTED CIGARS

FOLLOWING receipt of a reply from the Navy Department to his recent letter questioning the use of cigars made in foreign countries on the vessels of our Navy, John H. Duys, president of the Associated Cigar Manufacturers and Leaf Tobacco Dealers, and of H. Duys & Company, leaf importers, has written a letter to the United States Senators in the various cigar leaf tobacco growing states protesting against the unwarranted use of large quantities of these cigars on our Navy vessels.

Mr. Duys' letter reads as follows:

"My Dear Senator:

"As president of the American Cigar Manufacturers and Leaf Tobacco Dealers of the United States I write to call your attention to a situation which seems to me regrettable, and particularly in view of current economic conditions, bearing upon the welfare of the considerable cigar tobacco growing industry in your state.

"Through the Boston manager of one of our large cigar firms we have learned that crews of naval vessels in the Charlestown Navy Yard, who have been among his best customers, are buying no more because there is a stock of 30,000 Cuban cigars in their commissariats.

"The Navy rule that the Navy shall 'purchase or contract for, within the limits of the United States, only articles of the growth, production or manufacture of the United States, notwithstanding that such articles may cost more, if such excess cost is not unreasonable' is not applicable to the current case, Navy officials have explained to me, because these cigars were not bought 'within the limits of the United States.'

"The obvious intention of that rule, it seems to me, is to effect the spending of Navy funds with the people who supply those funds, and this intention is largely invalidated if naval vessels are free to purchase large stores of commodities in foreign ports and bring them back to their home ports. It seems to me that it would be more in the spirit of the rule if they bought these supplies in home ports and took them to foreign ports.

"The cigar industry is supplying, directly or indirectly, $21,000,000 annually for the use of the Navy in internal revenue taxes alone. Department of Agriculture reports show that cigar tobacco growing is increasing the revenues of the American farmer by more than $41,444,000 per year, by geographical divisions, as follows:

"In the Pennsylvania dark filler fields by $8,417,000; in the Ohio-Indiana filler fields, by $3,675,000; in the Georgia and Florida filler and wrapper fields by $2,939,000; in the Connecticut binder and wrapper fields by $18,665,000, and in the Wisconsin and Minnesota fields by $7,492,000.

"The cigars made from these tobaccos, with some imported tobaccos, maintain an American industry whose total product for the fiscal year 1929-30 numbered over six and one-quarter billion cigars. The total value of the annual manufacture exceeds $336,000,000.

"At the same time, improved methods of manufacture, improved standards of grading and growing tobaccos, mechanical efficiency and cleanliness in handling and distributing both tobacco and cigars have put domestic cigars in a position to compete with cigars made anywhere as regards quality, price and sanitary conditions of manufacture. The fact is that it is possible to buy a better cigar for the money in the United States at the present time than at any time since the war, so that there can be no question of 'reasonable excess costs.'

"At a time when unemployment is still a serious national problem and when, though the industry is not seriously affected, many American cigar factories are working part time, it seems to me that we cannot afford to neglect even such minor opportunities as this —which could be easily seized—to assure American taxpayers that the money they supply the Navy will be returned, as far as possible, to the country's agriculture and industries.

"I am

"Respectfully,

"JOHN H. DUYS,

"President, Associated Cigar Manufacturers and Leaf Tobacco Dealers."

1931 CROP ESTIMATE BELOW 1930

SO FAR the Pennsylvania tobacco crop has done very well, but the supply of moisture the first of the month was in need of replenishing in many localities. Topping is well along. The hornworm is plentiful, and there are some grasshoppers and other insects but very little disease. Prospects for a fine crop are quite general, with production 46.7 per cent. greater than last year's harvest.

The present estimate of the United States crop for 1931 is about 1½ per cent. less than the 1930 crop. Tobacco production estimates by types and comparisons with last year's harvest follow: Flue-cured, 718,466,000 pounds, decrease 16.4 per cent; fire-cured, 197,604,000 pounds, increase 18.9 per cent; air-cured (four-fifths Burley), 523,148,000 pounds, increase 21.9 per cent.; cigar-filler, 86,496,000 pounds, increase 7.7 per cent.; cigar-binder, 81,725,000 pounds, decrease 12.5 per cent.; cigar-wrapper, 8,342,000 pounds ,decrease 28.7 per cent.

State	Production Aug. 1, 1931 forecast 1000 lbs.	Production July 1, 1931 forecast 1000 lbs.
Massachusetts	9,760	9,976
Connecticut	27,963	29,367
New York	1,040	980
Pennsylvania	57,772	57,772
Ohio	48,661	48,208
Indiana	18,276	17,945
Wisconsin	45,150	44,275
Minnesota	2,160	2,580
Missouri	5,828	5,229
Maryland	34,400	31,000
Virginia	116,832	112,871
West Virginia	5,846	5,332
North Carolina	517,560	483,740
South Carolina	81,750	62,675
Georgia	51,648	51,700
Florida	7,395	7,257
Kentucky	464,800	447,370
Tennessee	119,425	105,950
Alabama	405	390
Louisiana	122	122
United States	1,616,793	1,524,739

PHIL M. PHULOFAX ENTHUSIASTIC OVER FUTURE OF CIGAR BUSINESS

AFTER spending two days in Yourtown, U. S. A., Phil M. Phulofax, D. B. I., business philosopher and specialist in cigar retailing, has sent a second enthusiastic dispatch to this magazine, reporting on the retail cigar business as he has observed it during his swing around the country for the purpose of calling on retailers and picking up new material for his series of sales talks now appearing regularly in our advertising columns. "Not since I became associated with Bayuk Cigars, Inc., and started to write my sales talks, have I been so enthusiastic about the future of the cigar industry," Mr. Phulofax reports.

In his dispatch Mr. Phulofax pays a glowing tribute to Will Sellem & Son, cigar retailers in Yourtown. "While in the store waiting for a chance to have a chat with my old friend Will Sellem, Sr.," Mr. Phulofax writes, "a half dozen customers came in. Four times out of the six, Will spoke to the customer by name and was able to offer the cigars wanted without having the customer ask for them. When I mentioned this afterward, Will explained that he made a point of picking up the names of his customers, and remembering their faces and favorite brands. It was a little difficult at first, Will said, but once he'd gotten into the habit of making a real attempt to remember, he almost never forgot a customer or his brand.

"That's real salesmanship of the most effective kind. It's the same principle the head-waiter works on when he calls you by name and leads you to your favorite table. There isn't anyone who doesn't feel flattered by having his name and preferences remembered. Whether it's a cigar or a table in a restaurant, it makes you feel a bit important and as though there were a friendly atmosphere about the place. You're pretty likely to go there again and keep on going. It's a great way to build up a good list of steady customers."

Mr. Phulofax cites Will Sellem's A-1 salesmanship as an example of the way intelligent, up-to-the-minute selling methods are spreading among cigar dealers. This better selling, he says, is a real guarantee of continued progress for the cigar industry.

TOBACCO EXPORTS TO AUSTRIA INCREASE

American leaf tobacco exports to Austria registered a gain of 399 metric tons, in 1930, amounting to 1831 metric tons, valued at $1,348,665, compared with 1432 metric tons, valued at $1,040,157 in 1929, according to statistics of the Austrian Tobacco Regie (the Government Monopoly) received in the tobacco division of the Department of Commerce at Washington.

The increased imports of American tobacco were due to a greater consumption of Austrian manufactures produced with American tobacco and to the efforts to increase the raw stocks from several producing districts in this country. The increase in the average value of the imports during 1930, is to be found in the rise of the market price in several tobacco districts in the United States.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

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CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

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MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

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NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

REYNOLDS PRESIDENT ON RADIO

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for North Carolina citizens, piling up trade balances in favor of North Carolina, and bearing a very substantial part of the fiscal program of the state. In the tobacco industry this situation has worked around to the result that North Carolina today manufactures more than one-third of all of the tobacco and snuff and barely under two-thirds of all of the cigarettes manufactured for consumption in this country. Some 30,000 citizens of North Carolina are directly employed in the tobacco and cigarette manufacturing industry of the state. Multiplying this number by the average number of members in the families of the workers it appears that another 100,000 of the citizens of North Carolina are directly interested in the tobacco industry in the state through its manufacturing activities.

"It is largely through the spending of many millions of dollars in advertising that the manufacturing end of the industry in North Carolina has been able to so extend the demand all over the country as to keep North Carolina factories so busy and to keep a market for so much North Carolina leaf. North Carolina should be the last of all the states to do anything that tends to reduce the consumption of tobacco products or to unduly burden or cripple any branch of the industry. Strange as it may seem, many people—even some people who ordinarily think before they take a position—did not seem to realize this situation when the last Legislature was considering placing an additional heavy burden on tobacco products under the name of a so-called luxury tax. They seemed to have forgotten this state's special relationship to and interest in the tobacco industry, from growing to consuming, and we saw that peculiar situation under which many tobacco growers were told that the way to get relief from land taxes—and certainly they deserve that relief—was to have the Legislature levy a special tax that would put on an additional fifty cents of tax burden between them and a price for their cigarette leaf eventually sold in North Carolina and would at the same time so encourage other states to levy similar taxes as in the end to very much reduce and limit the market for the product of those farms. I daresay that if the tobacco farmers of North Carolina had been permitted to have the full facts of this situation and could have studied out each for himself just what the result would have been, we would have heard a rather unanimous announcement from them to the effect that they had no disposition to jump out of the frying pan into the fire. They need relief and deserve it but they are entirely too intelligent to want a temporary and only partial relief at the expense of further destruction of the market for one of the important products of their farms.

"It is not generally realized that of the twelve and one-tenth cents price at which a package of 'Camel' cigarettes leaves the manufacturer, six cents goes directly to the United States Government for the stamp and only six and one-tenth cents is left to the manufacturer as covering cost of leaf tobacco, cigarette paper, foil wrappers inner and outer, labor, overhead, taxes, profit, interest on the money invested in the six cent stamp until it is collected back from the jobber, work in placing the stamp on the package, investments in machines for so placing it, and all of the many other items that go into the manufacture of a cigarette including, of course, selling and advertising expense. Translated into its relationship to the tobacco farmer's products, this six cent stamp on a package of twenty cigarettes means that whenever a manufacturer buys a pound of cigarette tobacco from a grower, the manufacturer, in addition to the price that he pays the grower for the tobacco, immediately assumes the liability of paying to the United States Government a tax approximately $1 on that pound of tobacco when it is manufactured into cigarettes and offered for sale. To the grower who realizes that the manufacturer is after all the growers' connecting link with the consumer, there can be little of consolation in realizing that as soon as his product goes into the hands of those who will carry it to the consumer, it becomes subject to any such tax as $1 per pound. I do not mean to suggest that there is any immediate probability of a reduction of this tax. Conditions seem to be altogether against the prospect. But I do mean to suggest that with this tax and the tobacco tax standing today as the only war emergency taxes that have not been reduced or removed, it is difficult to understand how anyone with any real interest in a tobacco farmer could in good faith advise him to encourage placing an additional tax burden of fifty cents a pound in the form of a state luxury tax between him and a price for his cigarette leaf.

"Possibly the continuance at this late date of a war peak rate of Federal tax upon tobacco products, and the recent threat of a further burden in the form of the so-called luxury tax, are partially explained by a thing which has its relationship also to the situation with respect to prices for leaf tobacco. I refer to a lack of understanding and of confidence and of co-operation between the growers of leaf and the manufacturers who are in fact the market makers and the sellers of the product of the growers. There is always someone ready to tell the grower that the manufacturers' interests are directly inimical to his own and that whatever happens to him in the way of prices for leaf tobacco is probably directly chargeable to the manufacturers.

"Some comments upon the mutual interests and problems and attitudes of the growers of leaf tobacco and the manufacturers and sellers of that leaf are pertinent by way of observing some attitudes which for the future may be helpful to all parties. Impossible as it may sound to some of your neighbors who have been listening to some of the wild, careless statements that have been made to the effect that the manufacturers wanted to take the growers' crops for nothing, I don't know a man connected with R. J. Reynolds Tobacco Company who does not earnestly hope that in the marketing season which is just opening in North Carolina leaf tobacco prices will be satisfactory to the growers. In fact, I think that is the attitude of domestic manufacturers generally. That is not only an attitude on the part of R. J. Reynolds Tobacco Company. It is an attitude backed by planned activity.

"In the recent advance in the price of cigarettes one of our primary purposes was to see if by that method we could put some of optimism and buoyancy into the leaf tobacco markets this Fall. We cannot control prices, our critics to the contrary notwithstanding. Even the government with all of the hundreds of millions of dollars that it put into the wheat market could not control it. Nobody has been able to maintain the price of cotton, or of corn, or oats, or pork or beef or lamb or of chickens and eggs or even of dairy products. The world is in a period of overproduction of many things and when supply exceeds demand there is always trouble about getting a price. As the chairman of the Federal Farm Board said sub-

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CIGARETTES SHARE LOSS IN JULY

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of July, 1931, and are issued by the Bureau. (Figures for July, 1931, are subject to revision until published in the annual report):

Products	*July 1930*	*July 1931*
Cigars (large):		
Class A .....No.	330,151,125	351,843,340
Class B .....No.	37,358,833	7,223,013
Class C .....No.	153,180,732	111,970,598
Class D .....No.	10,676,121	6,877,418
Class E .....No.	1,438,309	986,480
Total	532,805,120	478,900,849
Cigars (small) .....No.	30,185,013	24,867,613
Cigarettes (large) ...No.	555,279	473,081
Cigarettes (small) ...No.	11,858,840,263	10,699,528,523
Snuff, manufactured..lbs.	2,945,789	3,407,519
Tobacco, manf'd .....lbs.	28,018,058	27,253,731

Tax-paid products from Porto Rico for the month of July:

Products	*July 1930*	*July 1931*
Cigars (large):		
Class A .....No.	12,299,220	10,771,710
Class B .....No.	369,200	83,500
Class C .....No.	828,550	286,314
Class D .....No.	2,500	.....
Class E .....No.	1,100	500
Total	13,500,570	11,142,024
Cigarettes (large) ...No.	300,000	.....
Cigarettes (small) ...No.	3,110,000	1,020,000

Tax-paid products from the Philippine Islands for the month of July:

Products	*July 1930*	*July 1931*
Cigars (large):		
Class A .....No.	13,156,145	17,462,935
Class B .....No.	175,550	132,910
Class C .....No.	149,802	38,356
Class D .....No.	130	830
Class E .....No.	70	2,516
Total	13,481,697	17,637,547
Cigarettes (small) ...No.	98,470	345,710
Tobacco, manf'd .....lbs.	174	180

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the Statement of Internal Revenue Collections

Objects of Taxation	*July 1930*	*July 1931*
Tobacco manufactures:		
Cigars	$1,720,795.97	$1,426,095.38
Cigarettes	35,580,844.11	32,103,233.88
Snuff	530,241.98	613,353.43
Tobacco, chewing and smoking	5,043,620.02	4,905,962.52

Fresh *as Tree-ripe Cherries*

© P. Lorillard Co., Inc.

Sure, O. Gs. are sealed in Cellophane. They bring you all the freshness of a newly made cigarette, without any loss of natural moisture or fragrance.

And when you smoke an OLD GOLD you smoke a PURE-TOBACCO cigarette. Free of olly, foreign flavorings. Cellophane sealed, O. Gs. are fresh and fragrant whenever . . . wherever . . . you smoke them.

CELLOPHANE SEALED

Old Gold CIGARETTES

NOT A COUGH IN A CARLOAD

LA PALINA

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED

The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

News from Congress

(Continued from page 8)

unemployed. Great Britain's present financial difficulties are due largely to the drain of the dole and one of the means of restoring financial stability in that government will be dole reduction. With England's example before them, it is represented, Government officials here will turn a stony face to any appeals for largesse for the unemployed.

One of the most important factors militating against increased taxation in the near future is the approaching Presidential campaign. Faced already with a terrific burden in the necessity of going before the country in defense of its policies, the Republican party is not likely to add to that handicap by anything as unpopular as increased taxes.

German Cigarette Market in Slump

The revised German regulations concerning the sale of cigarettes which came into force on July 1, 1931, aimed at stimulating the market in order to increase Government receipts from the tobacco tax, but for the time being the complicated nature of the revision has had the opposite effect, according to a report prepared by American Consul William E. Beitz and released by the Tobacco Division of the Department of Commerce.

Sales have been very much obstructed for technical reasons. The 38 per cent. Internal Revenue tax on cigarettes has been reduced to 30 per cent. in order to enable larger sales to be made of cheap cigarettes costing not more than 2½ or 3½ pfennigs. The new revenue stamps and the new cigarette packings which are again to contain 10, 20, 25 and 50 cigarettes, however, are as yet hardly available; moreover the Government refuses to permit old packings to be returned to the factories for readjustment. Dealers therefore are reluctant to place new orders until they have disposed of their old stocks in order to avoid a loss of approximately 10 per cent. on the sales price; the loss, nevertheless, must be often incurred as the prices of some brands have been officially reduced. Apparently the gravity of the economic conditions is also reflected in the present stagnation of the market.

During the first six months of 1931, cigarette sales dropped by 50 per cent. compared with 1930; receipts from the Internal Revenue tax on cigarettes during the second quarter yielded only 83 million reichmarks, or about one-half of the estimated amount. A similar falling off is shown in the proceeds from the customs duty on raw tobacco, which comes in at 180 reichmarks per 100 kilograms; and in the raw material tax of 430 reichmarks per 100 kilograms.

According to official sources the total taxable value of tobacco indicated by revenue stamps sold in April, 1931, was 65,831,870 reichmarks, and 2286 metric tons of cigarette tobacco were consumed by the cigarette-producing concerns.

PARK & TILFORD REPORTS LOSS

Park & Tilford, Incorporated, reports for the six months ended June 30, 1931, net loss of $151,353, as compared with net profit of $169,371 in the first half of last year.

REYNOLDS PRESIDENT ON RADIO

(Continued from page 12)

stantially to a group of Georgia tobacco growers last summer: 'It would be wonderful—in fact nothing short of miraculous—if in a period of world depression of commodity prices tobacco growers alone of all the producers of various things throughout the world should find that the price of their commodity was not depressed.'

"But nevertheless it is our hope—and we are putting an earnest effort behind it—that something of buoyancy may be put into the prices for leaf tobacco this Fall. If, in spite of our efforts, it does not sell at a higher price, then additional funds are in hand for much more extensive advertising of the product with a view to increasing the consumption of manufactured products and thereby increasing demand for leaf tobacco. In our view of that price adjustment, it is more important to the growers of leaf tobacco than it is to the manufacturer, because if the leaf market doesn't take the additional margin of price, it will be available for extended advertising in an attempt to increase the demand for manufactured products and through it the demand for leaf tobacco. If we can succeed in either plan, or partially in both, North Carolina, with leaf growers, manufacturers and workers in the industry so heavily concentrated in it should reap a nice reward. No reference to such a hope should be made without calling attention to the enormous difficulty that is found in the figures reflecting the heavy overproduction of tobacco and in the apparent breakdown of the market for the part of the crop that ordinarily goes to the export trade.

"In those heavy production figures and in that statement that more than half of the flue-cured tobacco grown in this country finds its market in the export trade is the key to the present situation so seriously affecting the growers of tobacco in North Carolina and, at the same time, presenting dangerous problems for the manufacturers.

"Leaving out cigar leaf of which something less than 200,000,000 pounds are grown in this country, and also leaving out some other types of relatively small yield, the big items in last year's tobacco crop were 790,950,000 pounds of flue-cured, 305,566,000 pounds of Burley and 140,959,000 pounds of other Kentucky and Tennessee tobaccos—a total of something over 1,237,000,000 pounds of tobacco to which must be added an importation of more than 40,000,000 pounds of Turkish tobacco used, so to speak, as pepper and salt on domestic tobaccos in the manufacture of blended cigarettes. Against this total of produced and imported tobaccos I quote you again from the government's report above referred to as recently released:

" 'Leaf consumed in the manufacture of cigarettes in 1930 amounted to 338,701,000 pounds; . . . in tobacco and snuff, 306,990,000 pounds—a total consumed in the manufacture of all of these products of something above 645,000,000 pounds out of a total quantity of leaf made available during the year of above 1,277,000,000 pounds.'

"The importance of conditions in the tobacco export trade immediately becomes apparent on a glance at those figures. Irrespective of the prices paid by do-

(Continued on page 15)

Editorial Comment

(Continued from Page 3

quet and aroma from the containers. We can't lose. There is absolutely no tobacco fragrance from the box in which the cigars are wrapped in the transparent covering. The other package immediately throws off the alluring odor of tobacco blended with Spanish cedar. Our friend lights the two cigars at once. It is only a few moments before the cigar in the transparent wrapper is discarded.

But all this is a slow process of education. Our friends readily admit that they have been hypnotized by the advertising of the merits of the non-porous wrapper. On the other hand, they readily state that they now know what has been the matter with their cigars.

To be perfectly fair, however, there have been several who readily admitted that the smoking qualities of the cigars in their natural wrappers, in wooden boxes, were far superior to the cigars in the transparent covering—but that they still preferred the cigar in the lucid wrapper because it saved breakage. We simply put these birds down as smokers who would enjoy dried cabbage if wrapped in the transparent covering. They are smokers by habit without any appreciation of the relative values of fine tobaccos. Apparently the woods are full of them.

Despite the sale of five-cent cigars in any kind of container at all, we still think there is a large field for some manufacturer to undertake an educational campaign to win the smoker to cigars in their natural wrappers in wooden boxes, and to increase the consumption of cigars.

Any manufacturer can make a comparatively cheap experiment; one that is being tried by some important manufacturers at this time.

Take the regular wooden cigar box and place between the layers of cigars, sheets of cedar veneers cut from 110 to 120 to the inch (of course the cigars must be in their natural wrappers). Make this test yourself, Mr. Cigar Manufacturer, and we doubt that you will believe that the cigars in the non-porous wrappers, and those in their natural wrappers with the cedar veneers, were both produced in your own factory. And when you open the two boxes—well, just try it!

And just a couple of paragraphs about this discussion of the non-porous wrapper, and the interest that it is awakening.

One of the oldest cigar manufacturers in the country, whose brand has only a local sale in his section of the country, is so well convinced of the actual and psychological influence of the cedar veneers on his cigars, in their natural wrappers, that he is packing 100,000 of his leading brand in this way.

Another manufacturer has packed several thousand full Spanish cedar boxes with cigars in their natural wrappers, and together with the same size and brand in the non-porous wrapper is sending a box of each to a selected list of smokers. He is personally convinced of the finer smoking qualities of the cigars packed in cedar in their natural wrappers but he is unwilling to pass judgment without the reaction of those who merely smoke cigars for the satisfaction they derive from the act. He thinks, and perhaps rightly, that the cigar manufacturer may be entirely too close to his own business to know just what this non-porous wrapper is doing to the cigar industry as a whole.

And that is all for today.

REYNOLDS PRESIDENT ON RADIO

(*Continued from page 14*)

mestic manufacturers on a market so much of which goes to export, the failure to realize good prices for the export end of the crop may at any time all but destroy market averages. Speaking to the tobacco markets east of Raleigh in North Carolina, R. J. Reynolds Tobacco Company normally buys somewhat less than one-tenth of the eastern crop. On the best estimate available, it appears that all of the domestic manufacturers put together buy between thirty and forty per cent. of the leaf offered on those eastern markets. Under these conditions, the absurdity of a suggestion that a single domestic manufacturer, or even all domestic manufacturers working together, if that were permissible under the law, could control and maintain the price of leaf on those markets appears at once.

"The trouble lies largely in overproduction especially of what have come to be difficultly marketable tobaccos. . . . "

NEW SALES DIRECTOR FOR HAV-A-TAMPA

Burks L. Hamner, former real estate operator in Tampa, Fla., and reputed to be one of the best salesmen in that State, has joined the Hav-A-Tampa Cigar Company, as sales director, according to a recent announcement, and assumed charge of his new duties on August 17th.

Mr. Hamner was spokesman for the Tampa Cigar Industry in their recent fight in the State Legislature against the nuisance tax.

The Hav-A-Tampa business was established in 1913 and has been showing a steady increase in sales. Last year the factory marketed almost 100,000,000 cigars, which was a substantial increase over the 1929 figure, and it is planned to develop a substantial increase in sales for this year.

CANADA ADMITS TOBACCO WORKERS

The Canadian Government has acquieseed in the plea of a group of Canadian tobacco interests for modification of immigration restrictions against agricultural workers and, as a result, American-trained workers and growers are entering Canada to aid in the production of a competitive commodity, according to an oral statement by B. D. Hill, Chief of the Tobacco Division, Department of Commerce.

The change in rules was effected August 1st, and since that time something like six hundred experienced cutters and curers have migrated to Canada from the "bright flue-cured" areas of the United States, Mr. Hill said he had been advised.

Adam Beaumont, Vice Consul at Hamilton, Ontario, reported that the ingress of workers was in addition to the "share farmers," or tenants, who entered Canada earlier in the year and participated in growing tobacco this year.

Cigar Smokers Continue To Voice Their Approval Of Brands Packed In Their Natural Wrapper In Wood

Hoboken, N. J., July 10, 1931.

THE TOBACCO WORLD,
236 Chestnut Street,
Philadelphia, Pa.

GENTLEMEN:

The articles appearing in THE TOBACCO WORLD are very interesting and I have followed them carefully having felt for some time that someone ought to take the initiative to bring out the truth of the use of the transparent wrappers on cigars.

As a cigar smoker, I performed some minor experiments on my own account on a brand of cigars which has always appealed to me. I took a box of "X" brand and removed the transparent wrappers off about two-thirds of them; put about one-third of the wrapped and unwrapped in a full cedar box. I kept the balance of the wrapped and unwrapped cigars in the original box. I used these only occasionally to see what difference aging really makes on the cigar.

There is no question about the cigar in the full-cedar box, unwrapped, being by far a much more pleasant smoke than any of the others. The drier cigars have been those that are wrapped in the transparent wrapper; the second choice the unwrapped cigars in the original box.

There are but few cigar smokers who are real connoisseurs. I am not one of them and being more like the majority of smokers, I like that which appeals to me best or best satisfies my taste. It is quite possible that if "X" cigars were supplied unwrapped in a box in which a cedar bottom is used, they would gain for themselves a name which would be enviable. It seems to me that the difference in price in eliminating the transparent wrapper would pay for the difference in price between imitation and a real cedar bottom. You know figures better than I on this material and can easily determine whether or not I am right.

A little further—to explain that on three distinct occasions, one brand; namely, the "X" panetella, I have had to throw them away as it was impossible to smoke them. They were extremely strong, and had a very acid effect on the tongue.

Being interested in the industry, many other actual examples could be quoted, but are unnecessary.

I wish you the best of luck in your endeavor.

Very truly yours,
C. A. CLAUS.

* * * * * *

PALISADE, N. J., July 21, 1931.

H. B. HANKINS,
Philadelphia, Pa.

For a number of years I have used tobacco in its different prepared forms as offered to the public. My favorite form was in a good cigar, so in time I became as you would say an "old-time smoker."

Many changes have taken place in the manufacturing of cigars, up to this time. The hand-made cigar was a very satisfactory product. It needed dexterity in the workman, and in the operations to build up a good smoke; many of these workmen became proprietors of their own factory and the knowledge gained in handling the leaf and knowing its quality he was capable of producing a good brand of cigars and holding his customers.

Now, we have before us the new way; machine-made cigars, with a lot of other unnecessary things as the covering of cigars. First it was tinfoil. It was a foil to defeat the smoker, but he would not stand for it. He wanted to see the color of the cigar wrapper. Now comes the transparent covering. I cannot see where it benefits the cigar. It may prevent some breakage, but my belief is the cigar should not be covered with any close-fitting, non-porous wrapper. Tobacco is a sensitive plant—before entering into the making of cigars it must be carefully handled and has a long treatment in its curing before it is fit for use in the manufacture of cigars. In this curing process, plenty of air is needed and it goes through a lot of sweating. It seems after the cigar is packed in its box it still needs the air. The non-porous wrapper does not give it a chance, nor does it invite the customer by any rich aroma. It prevents this fragrant odor from reaching him through its non-porous quality.

Although the general public has not as yet found this covering detrimental to the cigar, there are a few smokers who remark that "my old cigar does not taste just right."

I believe nature will assert itself and the cigar will deteriorate under an artificial covering.

There are many things that look inviting to the eye, but to an "old smoker" there is nothing better than the opening up of a box of his favorite brand of cigars nicely packed, even of color, and with an aroma to fill his lungs to make him go away rejoicing and satisfied.

The cigar in the non-porous covering gives the buyer no color whatever, no fragrant odor. He says, "What's in it? I am from Missouri, pick me out a claro."

PHILADELPHIA, PA., August 21, 1931.

MR. HOBART B. HANKINS,
236 Chestnut Street,
Philadelphia, Pa.

DEAR MR. HANKINS:

I received the two cigars, one wrapped in a transparent wrapper and one without it.

This morning I smoked the unwrapped cigar, which seemed to be much firmer and better seasoned than the one in the transparent covering, and I was much pleased with the results of this smoke. I prefer a well-seasoned cigar rather than a green cigar. This afternoon I tried the wrapped cigar. I knew the cigar was soft before lighting it, as all wrapped cigars are. You know, the non-porous covering is supposed to keep the air from the cigar and keep it moist, and if they are packed green, as they are, they will always retain that green flavor.

The main objection I have to the wrapped cigar is that it is soft and soggy. It gets soggy in your mouth while smoking and you do not get the full benefit of the flavor of the tobacco, but get more of the bad effects of the nicotine, whereas in a seasoned cigar the nicotine evaporates to some extent.

There is another great objection to a soft cigar. In the evening, after dinner, I like to sit down and read my papers, magazines and books, and while reading I usually light a cigar. If I have a well-seasond, firm cigar, I can read without being interrupted, and furthermore the cigar lasts about twice as long If I have one of these soft wrapped cigars, it is out two or three times before I have finished, and long before the end it becomes bitter and rank, so I lose at least one-third of the smoke, besides the annoyance of having to relight the cigar which, you know, is not good for the best enjoyment of a smoke. I have requested the man who furnishes my cigars to have them unwrapped, as I prefer cigars without "pajamas."

Kindly accept my thanks for the cigars, and with kindest regards, I remain

.....

* * * * * *

GRANTWOOD, N. J., July 23, 1931.

MR. H. B. HANKINS,
The TOBACCO WORLD,
Philadelphia, Pa.

DEAR MR. HANKINS:

I cannot say that I like the transparent wrapping on present-day tobacco products, especially cigars. I feel the industry is making a mistake in its almost universal adoption.

There seems to be no question about the beneficial effect of air on tobacco. Air plays a very important part in its curing and conditioning. Why then must it be shut out after the cigar is made?

I have for the past few years viewed with dissatisfaction the substitution of tin, cardboard and what not for fragrant wood as a packing for cigars. Now, even those properly packed in suitable wooden boxes are imprisoned in a non-porous wrapper, making it impossible for the wood to do its job.

I am not ready to say that the transparent wrapper does the cigar any harm further than that mentioned, but I do believe the general public have less appreciation of the new covering than cigar manufacturers think.

They could have but one object or purpose in adopting the transparent wrapper, that being increased sales. Does it accomplish this? Do figures substantiate the contention? If it doesn't result in increased sales, why have it?

One of this month's most pleasant experiences was when my host on a recent evening opened a new box of imported cigars and passed it to me. An aroma delighted my nostrils that could not have escaped had the non-porous wrapper been used on the cigars. Thus the brand of cigars had an introduction that made the smoking of one of them doubly enjoyable.

Very sincerely,
CHARLES W. B. LANE.

* * * * * *

NEW YORK CITY, August 4, 1931.

Editor, TOBACCO WORLD,
Philadelphia, Pa.

DEAR MR. EDITOR:

Received the August 1st issue of The TOBACCO WORLD and have read it from beginning to end.

I want to compliment you on the good information that can be had by continually reading this paper. I find it a pleasure in getting so much interesting news out of your writings. I wish every smoker could receive a copy of your editorials. The man who is looking for a good cigar would then know how to find one.

Atlantic City, N. J., July 2, 1931.

Editor, TOBACCO WORLD.

DEAR SIR:

As a smoker of cigars for fifty years I believe I am a fairly good judge of what constitutes a good cigar, and I desire to state, I am not in favor of cigars packed either in foil or the non-porous wrap. I believe they ruin the fine flavor of the tobacco.

I much prefer to get the plain unwrapped cigar, and take the chances of one or two having the wrapper broke while carrying them around in my pocket, in preference to the wrapped cigar.

In olden days when I first started smoking, lots of cigars were packed in cedar boxes without any lining at all, and some of them had the cedar only planed on the one side, leaving the rough side on the outside. They had brass hinges on them. They were not so expensive.

You have raised a question that should be given careful consideration by the cigar manufacturers.

Cut all the frippery out and put it in the cigar itself, and cigars will sell better in the end.

Yours truly,
EUGENE M. HENOFER.

* * * * * *

July 6, 1931.

Editor, TOBACCO WORLD,
236 Chestnut Street,
Philadelphia, Pa.

DEAR SIR:

The glorious Fourth is over, and after a careful survey of both hands I am somewhat elated to observe that I still have two thumbs and eight perfectly good fingers. This elation is somewhat accentuated by knowing that I can take my pencil and offer my most sincere congratulations on your editorial, which I have just read in the July 1st issue of THE TOBACCO WORLD. In Broadway's terminology, "It's a Pip."

In my opinion you have shown complete mastery of your subject, and in expressing yourself, a neutrality of facts that must appeal to the dominant interest of a public who are now somewhat befogged by a smoke screen that is not only depriving them of a better cigar, but is also muzzling an asset of overwhelming consequence, as a sales or advertising feature.

I am sure if your enlightening campaign is carried on, that a perfect success will be your reward.

Most cordially,
JASPER FOSSETT.

* * * * * *

Editor, TOBACCO WORLD,
Philadelphia, Pa.

DEAR SIR:

During my thirty odd years in business, the successful manufacturers have been those who packed their goods in solid cedar or part cedar boxes. I believe that I am right in the statement that cedar is a necessary part of cigar boxes, particularly for discriminating smokers. I believe that the turn in the road has come and that within a short time some cigar manufacturer with enough nerve is coming out with a cigar packed in a full cedar box, with the cigar itself in its natural wrapper. And it is my opinion that such a manufacturer is going to make a big hit with the trade.

B. G. COHEN JOINS CONTINENTAL PIPE

B. G. Cohen, who has represented the William Demuth & Company firm for a number of years in the Middle West, has joined the sales force of the Continental Smoking Pipe Works Inc., and will cover the middle western territory, where he has a host of friends, in the interest of his new connection.

George Wilson, sales manager for the Continental, states he is highly pleased by the fact that Mr. Cohen has joined the sales force of the Continental Company, as he considers Mr. Cohen to be a salesman of outstanding ability who will add materially to the distribution of Continental pipes in the midwest territory.

HARRY BOSTON SHOWS NEW LINE

Harry Boston, of William Demuth & Company, was a recent visitor in town, making his headquarters as usual at the Hotel Benjamin Franklin, where he had on display the latest designs in fine pipes manufactured by his company.

Harry left with his usual collection of nice orders from the local pipe buyers.

D. EMIL KLEIN RETURNS

D. Emil Klein, head of D. Emil Klein Company, Inc., manufacturers of "Haddon Hall," "Emanelo" and "Nottingham" cigars, returned on August 14th from a visit to Europe, where he had been for the past month visiting points of interest.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

AGENCY WANTED

WELL-KNOWN LONDON DISTRIBUTING HOUSE IS prepared to consider sole agency for cigarettes and tobacco for Great Britain. Box 462, T. B. Browne, Ltd., 163, Queen Victoria Street, London, E. C. 4, England.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

NEW YORK CONGRESSMAN RENEWS CHAIN STORE ATTACK

CONGRESSMAN CELLAR, from New York State, continued his attack on the chain stores of the country on August 11th by issuing a statement accusing the chain stores of taking losses on standard goods for the purpose of disseminating the idea that their prices are below those of other stores and of recouping the losses thus sustained by selling other products above the market price.

Mr. Cellar also accused the chain stores of forcing manufacturers to put up inferior goods or smaller packages under standard labels so that they could be sold at lower prices, of practicing substitution on a widespread scale, of using their mass-buying power abusively and of charging different prices for the same goods in the same city. He declared that the files of the Federal Trade Commission now investigating chain stores would show that they have made use of all kinds of false advertising.

ADVISES AGAINST PORTO RICAN PLANTING

Senator Francisco M. Zeno, of Porto Rico, who has been spending the past two months in the United States studying conditions in the tobacco industry, stated last week that the Commission for the protection of Porto Rican Tobacco had advised all growers on the island not to plant a tobacco crop this coming season.

The recommendation was made to reduce the surplus of Porto Rican tobacco on hand and to stabilize the market.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an auditional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

PROBUS CLUB:—45,929. For cigars. July 2, 1931. Keller Cigar Co., Springfield, Mass.

TRANSFERS

HILDANA:—35,695 (United Registration Bureau). Registered March 10, 1910, and **19,843** (Tobacco World)), registered March 10, 1910. Both for cigars, cigarettes, cheroots and tobacco, by American Litho. Co., New York, N. Y. Through mesne transfers acquired by Bernard Lett, and re-transferred to J. W. Strieder Co., Boston, Mass., July 18, 1931.

JURA PIPE MAKERS ALARMED AT DECREASE

The pipe makers of the Jura, on the Swiss frontier, are raising a cry of alarm to the merchants of St. Clauda and the Chamber of Commerce of Lonsle-Saunier. They declare that pipe smoking is on the decline—a statement which has aroused great surprise.

Not many years ago, writes the Paris correspondent of *The London Daily Telegraph,* the spectacle of a man smoking a pipe in a public place in Paris was rare, and he was at once marked out as an Englishman. But there has been a great change since the war, and Frenchmen are now to be seen after dinner smoking pipes in places in which an English visitor rather hesitates about producing one. Parisians even smoke pipes in the streets nowadays.

But side by side with the advance of the pipe, there has been a stupendous increase in cigarette indulgence—an increase to which, of course, the new army of women smokers has greatly contributed.

It is probably this comparative aspect of the matter that the pipe makers of the Jura have in view. As a means of giving a fillip to their industry they have asked the Ministers of War and Marine to authorize soldiers and sailors to disport the pipe in public.

ITALY CONSTRUCTING NEW LARGE FACTORY

The Royal Italian Tobacco Monopoly now has in course of construction in the Industrial Zone a new modern factory for manufacturing tobacco products. This factory will be completed during 1932 and will be one of the largest of its kind in Italy. The new plant will unite three manufacturing establishments now existing in different parts of Naples and will house, in addition to tobacco warehouses, the warehouses for storing salt (also a Government monopoly in Italy); and the administrative offices concerned with government monopolies. The plant's activity in manufacturing tobacco products alone will give employment to about 2000 persons and it will have a productive capacity of 10,000 kilograms of manufactured products per day.—*Consul Sydney B. Redecker.*

GREATER CONCENTRATION IN GERMAN TRADE

THE movement toward concentration and closer co-operation in the German cigar, cigarette and smoking tobacco industries has resulted in a continued decrease in the number of factories during the last few years, according to a report from Consul W. A. Leonard, at Bremen, made public by the Commerce Department's Tobacco Division.

Statistics compiled by the German Statistical Bureau indicate that the number of factories with an annual consumption of more than 260,000 pounds of tobacco decreased from 183 in 1926-1927 to 170 in 1927-1928 and to 162 in 1928-1929.

It is stated that the largest proportion of cigars is manufactured by the medium-sized factories, which consume approximately 50 per cent. of the tobacco used in this branch of the industry. In the smoking tobacco industry, large factories predominate, consuming approximately 60 per cent. Large factories also predominate in the cigarette industry; more than 90 per cent. of the total cigarette output is from large factories.

With imports of American tobacco showing an increase of approximately 44 per cent., the Bremen tobacco market has shown better activity during the first half of the current year than in the corresponding period of 1930, according to official import statistics.

Imports of American tobacco during the first six months of 1931 totaled 16,364,000 in comparison with approximately 9,175,000 in the corresponding period of 1930.

The Bremen tobacco market continued quiet during June, but during the first four months of the year the market was more active, which is accounted for largely by the seasonal changes in the imports of tobacco; the months from May to September are normally the dullest of the year. Purchases of American tobacco by manufacturers and dealers were postponed until the arrival of the new crop tobacco due during the next few months.

As already mentioned in previous monthly reports, there has prevailed an unrest in the German tobacco market on account of the new decree of the German Government regulating the cutting of the fine cut brands.

It is stated that the Government contemplates again raising the import duty on all raw tobacco in the fall.

LICORICE ROOT FACTORY IN GREECE

An American company has a branch factory at Kilene (Klarentza), a few miles from the city of Patras in the Peloponnesus, for the manipulation and pressing of licorice root. This factory was established in 1902 and was bought over by its present owners from a London firm. The total investment in real estate and plant equipment is estimated at about $100,000. About 1000 to 1500 tons of licorice root are manipulated annually at this branch factory and then shipped to the United States.

In addition to the branch factories mentioned above, a few American tobacco companies maintain branch offices and large warehouses in Macedonia for storing the tobacco purchased in Greece for their home requirements. These warehouses, however, are as a rule not owned by the American companies involved, and, therefore, cannot be considered as branch factories.—*Acting Commercial Attache Ralph B. Curren.*

SEPTEMBER 15, 1931

VOLUME 51 No. 18

THE TOBACCO WORLD

LIBRARY RECEIVED SEP 17 1931 U. S. Department of Agriculture

ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf sprayed with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY

139 North Third Street, Philadelphia, Pa.

"BEST OF THE BEST"

OPTIMO CIGARS — VERY MILD — VERY MILD

Manufactured by **A. SANTAELLA & CO.**

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

LA PALINA

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED

The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

After all nothing satisfies like a good cigar

SALES RESISTANCE

Sometimes begins at home. If you use containers that conceal the sales points of your cigars (size, shape and color) don't expect customers to use clairvoyance in selecting your brand.

Wooden Boxes permit smokers to see the whole cigar at a glance, improve the aroma, and allow cigars to mellow as they should—in the wood.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — Number 18

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
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GEORGE WEMYSS CHARGES KIDNAPING

GEORGE J. WEMYSS, prominent in Boston retailing and jobbing circles as the organizer of the Greater Boston Tobacco Retailers' Association, and one time manager of the Boston and New England Jobbers Association appeared at a police booth in New Hyde Park, N. Y., on September 3d, after having disappeared on August 25th, with a strange tale of having been kidnaped and held prisoner in a shack on Long Island.

After returning to Boston, Mr. Wemyss made an affidavit at Boston police headquarters on Saturday naming executives of a tobacco company as responsible for his alleged kidnaping and confinement in the cellar of a shack on Long Island, N. Y.

He attributed the alleged kidnaping to an attempt to force him to repudiate certain affidavits he gave the Federal Trade Commission concerning the tobacco concern by whom he was employed until last July. The name of the concern was withheld.

The story he told Boston police had not changed from the one he told police at Hyde Park when he staggered into the police station there and asked their protection, wearing a soiled shirt and torn trousers, with his bare feet bruised from running through the dense underbrush and over rough ground.

He said in his affidavit that once a man, whom he later recognized as one of his abductors, had tried to run him down with a speedboat while he was swimming.

"On August 25," he was quoted as saying, "I was swimming when I noticed the man who had been in the speedboat that almost ran me down.

"Suddenly I felt something like an explosion right near my head. When I next came to I was in a boat. The man who had been in the speedboat incident and an older man whom I did not recognize were with me.

"I lost consciousness again and when I next awoke, I found myself in the cellar of a small house.

"I had lost my teeth and the men fed me nothing but soup. They tried to make me sign a suicide note saying that the affidavits were false and that nobody would see me anymore. They said they would give me $25,000 and that I could go to Ireland to live and use another name for the rest of my life.

"Later I heard a row going on upstairs. I saw my opportunity and jumped out of the nearest window.

"I must have run off and on for several hours through thick woods before I finally came on the police booth where I asked for protection."

Mr. Wemyss addressed jobbers and retailers in Philadelphia some time ago in an effort to perfect an organization here for the betterment of conditions in the retailing and jobbing industry.

Mr. Wemyss was a professor of advanced mathematics at St. Patrick's College, Dublin, Ireland, before coming to this country. He resides at Quincy, Mass., where his wife and six children had been mourning him as drowned, and Boston police had been dragging the water, until his reappearance, in an effort to recover the body.

ENGLAND INCREASES TOBACCO DUTY

ON THURSDAY, Chancellor Snowden presented the new budget proposal to the House of Commons, in London, and announced increased taxes and salary cuts of Government employees in order to balance the budget and overcome an estimated deficit of $373,000,000 for this year and an estimated deficit of $650,000,000 for 1932.

Included in the items on which duties and taxes are to be increased is an increase in the customs duty on tobacco of 16 cents a pound, effective September 10th.

The new budget also included an increase in the income tax by six pence on the pound, making it 55 shillings in all, or 25 per cent. It increased the super-tax by 10 per cent. in addition. It levied a tax of 4 cents more on petrol, making the tax now 16 cents on a gallon. It also levied a tax of 2 cents on a pint of beer.

A. M. & F. BUYS CRAGGS & SMITH

It was announced that the American Machine & Foundry Company had purchased the business of Craggs & Smith, Incorporated. R. V. Craggs, vice-president of the acquired concern, joins the American Machine & Foundry Company as general manager of the export department.

Sales contracts held by Craggs & Smith, which are now taken over by the American Machine & Foundry Company, are those of Rose Brothers, Limited, wrapping machines; Reynolds Metals Company, foil; R. I. Humidifier and Ventilating Company, humidifier systems; John B. Adt Company, tobacco preparing machinery, and Miquel y Costas y Miquel, cigarette paper.

DEISEL-WEMMER-GILBERT DIVIDEND

Directors of the Deisel-Wemmer-Gilbert Corporation last week declared a quarterly dividend of 25 cents a share on the common stock of the corporation, payable September 15th to stockholders of record September 10th. Previously 37½ cents quarterly had been paid.

ZENO RETURNS TO PORTO RICO

Francisco M. Zeno, chief executive of the Commission for the Protection of Porto Rican Tobacco, sailed for Porto Rico last Thursday after an extended stay in this country. While here he made a close survey of conditions in the leaf tobacco and cigar manufacturing industry.

SUIT AGAINST CONSOLIDATED LITHO.

ON August 24th, suit was filed in the Supreme Court of the State of New York by Harry Prochaska, Incorporated, and George Schlegel, Incorporated, against the Consolidated Lithographing Corporation, and the International Banding Machine Company, charging conspiracy to destroy the business of their competitors in furnishing cigar bands and other lithographic materials to cigar manufacturers in New York State. Damages of $1,040,000 are asked.

The papers also named as individual defendants, Jacob A. Voice, Oscar Hyman, Henry and Isaac Steiner and Joseph Koppel.

The suit follows a similar action brought a year ago in the Federal Court which alleged violations of the Federal Anti-Trust statutes. This suit which the defendants answered, and in which they denied the charges, is now awaiting trial. It is expected that similar denial will also be made in the present action.

The complaint, filed by Henry Ward Beer, attorney, specifically alleges twelve illegal acts between January, 1924, and July 30, 1931. Among other allegations, it is stated that cigar manufacturers were forced to buy lithographic materials from Consolidated Lithographing in conjunction with the lease of a cigar banding machine. Various mergers and acquisitions of the Consolidated Company are also cited.

The Schlegel Company alleges that it has been damaged to the extent of $250,000 and asks $500,000 as punitive damages, while the Prochaska Company asks $90,000 actual damages and $200,000 as punitive damages.

REED HEADS UNEMPLOYMENT COMMITTEE

W. T. Reed, president of Larus & Brother Company, Richmond, Va., manufacturers of the well-known "Edgeworth" smoking tobacco, etc., has been named chairman of the State Committee on Unemployment, according to an announcement by Governor John Garland, of Virginia.

In his announcement the Governor stated: "I am highly gratified at the acceptance of Mr. Reed. His services, I know, will entail great personal sacrifice, but his vast experience, his wide acceptance and his well-known business ability will enable him to serve the State with great effectiveness.

"His acceptance will enlist public confidence in the work of the committee. Mr. Reed served the State well in the matter of reorganizing the State government under Governor Byrd's administration, and it is gratifying that he is willing to accept another call to a great task."

Through his activity in Community Fund campaigns here, Mr. Reed is familiar with welfare work and with conditions that the committee undoubtedly will have to face. He is regarded as one of Richmond's outstanding business executives.

GARY TOBACCO EXECUTIVE SAILS

F. B. Stem, vice-president of the Gary Tobacco Company, the Liggett & Myers subsidiary, sailed September 2d, on the steamship "President Harding," to return to his headquarters at Istanbul, Turkey, after a vacation spent in the United States.

PORTO RICAN-AMERICAN DIVIDEND

The Porto Rican-American Tobacco Company has omitted the quarterly dividend of fifty cents a share due on the Class A stock at this time.

ROYAL KASING FLUID COMPANY EXPANDING

THE Royal Kasing Fluid Company, manufacturers of Royal Kasing Fluid, Rex Kasing Fluid and Regal Kasing Fluid, has met with an enthusiastic reception among the leaf tobacco and cigar manufacturing trades during the past few weeks.

These kasing fluids, well known to the trade before the World War, but which disappeared from the market during that period because of their inability to obtain the necessary ingredients from abroad, are again available and are guaranteed to produce a satisfactory burn on all types of tobacco leaf where difficulty of this nature has been experienced.

Different fluids are prepared for each different type of tobacco leaf, and their use does not discolor the tobacco, but does improve the flavor and aroma.

Samples of leaf may be shipped to the Royal Kasing Fluid Company for examination and experiment, and an expert tobacco leaf man will prescribe the right solution for the improvement of that particular type of leaf.

In order to cope with their increasing business the Royal Kasing Fluid Company has moved its offices from 6105 Carpenter Street to 139 North Third Street, and they state that their fluids can be used on all types of tobacco leaf at a cost of not more than three cents a thousand cigars.

One gallon of these fluids can be shipped f. o. b. Philadelphia at a cost of $2.50 and will kase approximately three hundred pounds of leaf, either filler, binder or wrapper.

The formulas from which these fluids are made were obtained in Europe through the assistance of United States Government chemists.

Bare's Tobacco Resweating Works, East Grand Street, Lancaster, Pa., will treat any quantity of tobacco with these kasing fluids and resweat the tobacco at a nominal cost for those manufacturers or leaf dealers who do not have the facilities for doing this on their own premises.

"LUCKIES" IN CELLOPHANE

Jobbers in the western part of the United States were advised by the American Tobacco Company that beginning September 4th "Lucky Strike" cigarettes would be delivered to jobbers in that territory packed in the finest moisture-proof cellophane wrapper.

An exclusive feature of the new package is the "Lucky" tab which is creased directly down the center and around the end. The consumer can tear this easily and remove the wrapper from one corner of the package, thus getting at the cigarette without difficulty and without removing the entire wrapper.

It is understood that other sections of the country will be supplied with the new packing just as soon as production facilities permit.

SIXTH WEEK GEORGIA TOBACCO SALES

Tobacco growers of Georgia received $73,565.96 for 2,437,457 pounds sold at an average of 3.02 cents a pound during the sixth week of the tobacco season, it was shown last week in a compilation by Marcus McWhorter, chief statistician of the State Department of Agriculture.

There was no sixth week in the season last year, this year's season having been extended due to the lateness of the crop and comparative figures for the same week last year, therefore, were lacking.

To smokers who are HARD-TO-CONVINCE

We like nothing better than to induce a hard-to-convince smoker to switch to Camels for just one day.

For we know that after he has made a real test, it will be mighty hard to lure him away from this famous brand. It's not easy to smoke parched-dry cigarettes once you have known the delights of perfectly conditioned Camels.

After inhaling the cool, soft fragrance of the Camel blend of choice Turkish and mellow Domestic tobaccos protected by the Humidor Pack, your throat protests against the bite and sting and harsh hotness that comes from crumbly, dry tobacco.

No matter where you pick them up, in any land, in any climate, Camels are the same fresh, factory-prime cigarettes.

For the Humidor Pack of moisture-proof Cellophane air-seals all the flavor in and keeps out weather, dust and germs.

This is no mere advertising story. It is a recitation of fact that has made the whole country conscious of a new superiority in Camels.

If you are hard to convince, won't you switch to Camels for just one day? Then leave them — if you can.

● *Don't remove the moisture-proof Cellophane from your package of Camels after you open it. The Humidor Pack is protection against sweat, dust and germs. It delivers fresh Camels and keeps them right until the last one has been smoked*

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

CAMELS

NO CIGARETTY AFTER-TASTE

PHILADELPHIA.

Y. & M. BRANDS ENJOYING STEADY DEMAND

AT Yahn & McDonnell headquarters, 617 Chestnut Street, they report steady demand on the many brands of high grade cigars, cigarettes and smoking tobacco they distribute, with "Optimo," "Blackstone," "Bering" and "Antonio y Cleopatra" particularly enjoying a splendid sale.

Fred Suss, of S. H. Furgatch & Company, was in town last week in the interest of his firm's brands, and reports the outlook encouraging for high grade cigars for the balance of the year. After leaving Philadelphia Mr. Suss will visit the Boston and New England territory.

Abe Caro, "Optimo" representative, was here for a few days last week and was quite pleased with the demand for "Optimo" cigars in this territory. Mr. Caro was on his way through his southern territory.

Steve Hertz, of D. Emil Klein Company, was a visitor at Yahn & McDonnell headquarters on Wednesday conferring with Messrs. Brogan and Jones in reference to "Haddon Hall" sales. "Haddon Hall" has been enjoying a steady increase in sales here in recent months.

LUMLEY ON TRIP

Ben Lumley, representative of the Garcia & Vega factory in Tampa, and the Carl Upman factory in Miami, left last week for a trip through his territory in the South and will also visit New York State territory before returning to Philadelphia. He expects to be away about two months gathering in orders for holiday shipments which will keep the factories busy for some time.

Mr. Lumley reports excellent sales on the "Garcia & Vega" and "Carl Upman" brands so far this year and all signs point to a splendid call on these quality brands during the balance of the year.

CONGRESS CIGAR DIVIDEND

Directors of the Congress Cigar Company have declared a quarterly dividend of twenty-five cents a share, payable September 30th, to stockholders of record September 14th, thus placing the stock on a $1 annual dividend basis as against $4 paid previously.

BAYUK BUSINESS GAINING

REPORTS from St. Louis, Mo., are to the effect that business on the Bayuk "Havana Ribbon" Perfecto Extra, which was recently placed in the five-cent class, and also on the Bayuk "Phillies" is showing a nice increase in that city through the St. Louis distributing branch of Bayuk Cigars, Incorporated, and through the able assistance of Charles R. Cox, factory representative, who has been spending some time in that territory recently.

Reports from Haas, Baruch & Company, Los Angeles, Cal., distributors of Bayuk Cigars, also report an increase in distribution and sale of the "Bayuk Phillies" in their territory. An aggressive advertising program is expected to be released about October 1st in that territory on this brand which will undoubtedly have a very favorable effect on future sales of this brand.

WILLIS ANDRUSS ON TRIP

Willis Andruss, sales manager of the Congress Cigar Company, left last week for a trip through middle western points visiting the distributors of "La Palina" cigars and outlining plans for the fall selling campaign. He expects to be away about a month.

Orders for the "La Palina" Super Pal are coming in increasing volume since the introduction of this brand into the five-cent class, and there is every indication that the smokers are pleased with the quality of this brand.

"ROYALIST" SALES MAINTAINED

At Grabosky Brothers, Incorporated, factory, North Second Street, they report sales of the "Royalist" brand enjoying a good steady volume, with increased placements being made continually, and a good outlook for this brand for the balance of the year.

"Royalist" sales at Atlantic City stands during the summer season, made a particularly good showing under the leadership of Eddie Grabosky, factory representative in that territory.

U. S. TOBACCO BRANDS IN NEW WRAPPER

The United States Tobacco Company, one of the large manufacturers of snuff and smoking tobaccos, have announced that their brands are now wrapped in cellophane.

*Consider your Adam's Apple!!**

Don't Rasp Your Throat With Harsh Irritants

"Reach for a LUCKY instead"

What is the effect of irritation upon the throat? Here are the exact words of a noted authority retained by us to study this question. He writes:

"First, the vocal chords, on account of their delicacy of structure, would be the first tissues to give indication of irritation, evidenced by the huskiness of the smoker's voice, the result of relaxed tension and slower vibration of the vocal chords. The next site of irritation would be the tissues adjacent to the vocal chords comprising the larynx, therefore the general focal point of the irritation would be in the voice box represented externally by the Adam's Apple."

So—Consider your Adam's Apple. Be careful in your choice of cigarettes. Don't rasp your throat with harsh irritants. Reach for a LUCKY instead.

© 1931, The A. T. Co., Mfrs.

"It's toasted"

Including the use of Ultra Violet Rays
Sunshine Mellows—Heat Purifies

Your Throat Protection—against irritation—against cough

TUNE IN—The Lucky Strike Dance Orchestra and Weber and Fields, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

PROPHETS OF DOOM

THE FOLLOWING is taken from an advertisement which recently appeared in the *New York Times*, and sponsored by the Lawrence Fertig Company, Incorporated, Advertising Agents, 150 Madison Avenue, New York City. In the following message, which aroused much favorable comment all over the country, conditions as they are today are forcefully set forth and a definite cause for optimism is soundly established.

Business and business men must bear this depression bravely—but must we suffer the prophets of doom, too? It seems too much to bear.

"Forget the past ten years," they say. "You'll never see them again. *These* are normal times."

Six million wage earners anxious to work for a living are unemployed. Cotton is selling at the lowest price in thirty-two years; wheat at the lowest price since records have been kept; copper has not been so cheap since 1850; rubber has never sold so low; car loadings are the lowest since December, 1921. The railroads of this country are hardly earning enough to cover interest on bonds which were bought as prime investments by insurance companies, trust companies, widows, executors of estates.

Steel plants are operating at 30 per cent. capacity. An average of 2442 business firms have failed each month for the past seven months. Government officials urge cotton planters to destroy one-third of their crop in order not to glut an already heavy market. Farmers in Iowa are forming a "Burn-a-Bushel-of-Corn-a-Day" Club because corn is three dollars per ton cheaper than coal, while millions are famished for that very produce and have no money to buy it.

Companies with an average five-time turnover of stocks are operating on an inventory that could not possibly give them a three-time turnover. Common shares of first-rate companies earning dividends twice over, are selling to yield 8 per cent., 10 per cent. and more. Meanwhile, fear forces millions to hoard their cash. Savings banks report an increase in deposits of several hundred million dollars—money which would normally go into the purchase of homes, automobiles, furniture, shoes, food, entertainment, and other necessities and conveniences of living.

We ask any sane man—are *those* conditions *normal?* Then the World War was a love feast and the moon is made of green cheese! If American business must acknowledge that it is normal for 6,000,000 eager to work to suffer dire need; if American business men must subscribe to a policy of drift; if the American people must be lulled by a philosophy which preaches that life of necessity is full of privation and suffering—then America has turned un-American and fear has usurped the place of reason, experience and courage.

Think back to 1928 and 1929. Remember these same prophets—then the prophets of jamboree. "Permanently high level of prices," "new economics," "scarcity value," "new era." Any essential difference in their prophecy now? None. They always believe that what *is* today must be from now on.

A glance at any chart showing the past seventy-five years of industrial activity would prove that we are in a *subnormal* state; that, with a continually increasing population, business will approach normal in two years; that the excesses of overproduction have been pretty well cured and a return to normal buying psychology will cause retailers to order and thus set factory wheels to humming. Tomorrow? No. But certainly within the coming year.

TAMPA PRODUCTION CLIMBING

PRODUCTION of cigars in Tampa during the month of August totaled 35,041,490 cigars, which is an increase of approximately 2,000,000 cigars over the production for the month of July, although about 4,000,000 cigars less than were produced in the month of August, 1930.

Holiday orders are beginning to flow into Tampa factories and it is believed that business of the Tampa factories from now until the end of the year will be approximately the same volume as that of the previous year.

The August production by classes was as follows: Class A—15,549,495; Class B—921,500; Class C—14,416,080; Class D—3,987,213, and Class E—72,202.

LORILLARD MEETING AGAIN POSTPONED

The annual meeting of the stockholders of the P. Lorillard Company, which has been postponed several times pending decision by the New Jersey Court of Errors and Appeals on an injunction in connection with a proposed change in the by-laws of the company and revision of the price at which stock of the company can be sold to employees, was again postponed on September 1st to September 15th, at which time it was hoped the Court's decision would be given.

The business which assumes that these are normal times and is happy because its sales are no lower will lose out just as surely in the coming years as the over-extended business of 1929 lost out.

Industry today needs the fermentation of discontent—the aggressiveness that comes from dissatisfaction with present conditions—and a clear-cut, aggressive plan for making them better. Retailers must tempt their customers with values so great that purse strings will automatically loosen up. No progressive store should be satisfied with present sales figures—or with merchandise men who cannot get values that will set the cash register ringing.

The manufacturer who spurs his salesmen on, who continually analyzes and adjusts his sales territories, who seeks advertising that will create new interest in his product—will leave his competitors behind. Now, as never before, *ideas* count.

Steamship companies find a little gold mine in a new idea—the week-end cruise. Why wasn't it tried in 1928 or 1929? . . . Necessity. . . .

A chain of restaurants meets the situation by advertising all you can eat for a fixed sum. Sales jump.

A manufacturer of an antiseptic which has done moderately well for years advertises it dramatically for "Athlete's Foot." The sales line immediately goes through the top of the chart.

There are many, many other instances of sound thinking, smart advertising, aggressive selling. Recall them yourself.

Meanwhile, manufacturers of radios, automobiles, hosiery, cosmetics, foods, household appliances and a host of other products continue the same old methods, the same old advertising—and get the same old results.

These subnormal conditions will pass more quickly if the intelligence and driving effort of the American business man are concentrated on the job to be done . . . They will persist longer if the prophets of doom console him into thanking God for what little he has and praying that his small effort be rewarded by fewer red ink figures.

"The fragrant companion of his solitude"

— THACKERAY

There is no friendship in the world quite like that of a man for his pipe; we know of no better company than a bowlful of Granger.

No two ways about it, there *is* fragrant companionship in those big shaggy flakes—good solid comfort in that slow-burning Rough Cut—cool, sweet, longer-lasting delight in each mellow pipeload.

Truly a cooler smoke and a drier pipe. Men, get acquainted!

© 1931, LIGGETT & MYERS TOBACCO CO.

1 Cut for Pipes Only
2 Big Flakes that Burn Slow and Cool
3 Sweet to the End—No Soggy Heel
4 Made by Wellman's Method—an 1870 Tobacco Secret

Load on the installment plan; pack tight.

GRANGER ROUGH CUT

A Merchant as busy as a juggler on a tight rope hasn't the time to push a lot of weakling brands.

Mild Sir Walter Raleigh does the pushing for itself. It's become a headliner in three years.

BROWN & WILLIAMSON TOBACCO CORP.
Louisville, Kentucky

"ROLL-YOUR-OWN" COPY SPREADS

FOLLOWING the advent of cigarette sales tax measures in several States, and the reluctance of the smoker to pay such a tax on the "ready-made" cigarettes, the companies producing nationally known brands of smoking tobacco have launched advertising campaigns featuring the economies using these smoking tobaccos to "roll-your-own" and save the tax.

A special newspaper advertising campaign in behalf of "Prince Albert" is being run by the R. J. Reynolds Tobacco Company in Texas and Ohio and may possibly be extended to other States.

Cigarette sales in Texas are said to have dropped off 20 to 30 per cent. since the sales tax became effective.

The Brown & Williamson Tobacco Corporation are featuring a package of "Target" smoking tobacco and a cigarette-making machine combination in advertising in thirteen States with considerable success.

The American Tobacco Company has also entered the field with the announcement that "Bull Durham" has been reduced to five cents, formerly eight cents.

The Liggett & Myers Tobacco Company are featuring their "Velvet" smoking tobacco also in the "roll-your-own" movement. "Velvet" has theoretically been a pipe and cigarette tobacco since it was first made, but the cigarette idea has lain dormant for many years, this brand being featured as a pipe tobacco.

During the past month sales of smoking tobacco are reported to have taken a decided swing upward.

UNITED STORES EARNINGS

United Stores Corporation for the first half of 1931 had net profit of $547,559, as compared with net loss of $12,445 reported for the like period of 1930.

PHULOFAX SAYS—"KNOW YOUR BUSINESS"

I'VE sure had a great swing around the country in the last few months collecting material for my sales talks addressed to cigar retailers. Many a hotel register from coast to coast has had the name of Phil M. Phulofax, D. B. I. c/o Bayuk Cigars, Incorporation, Philadelphia, Pa., written in it since I started my travels. And many a mighty fine tip I've picked up for the messages I'm going to write for publication regularly in the advertising columns of this magazine. Unless I miss my guess, some of them are going to be just about the best yours truly has ever turned out.

You can say what you please, there's a lot to be learned about folks' peculiarities from the fellows who stand behind the counter and traffic in cigars. It's no cinch to please everybody who comes in to buy something to smoke. But if you can't please 'em all, at least you can satisfy yourself you've done the best you know how to give 'em what they want.

And there's *one* rub, as our late lamented Mr. Bill Shakespeare of playwriting fame, very nearly said. "What they want." As you all know only too well, that's one of the great troubles with some customers; they don't really know *what* they want. One of them says "Gimme your best Panatella," when his real speed, in taste and price, is anything but. Another who could appreciate all the fine points of a cigar—and who could pay for the best—puts up with some inferior brand because he's heard a friend mention it by name.

Did you ever stop to think how much a cigar retailer is like a book seller? I never had until I had a long train jump to make out in the far West and stopped in a little book store to pick up something to read.

Right off the bat a pleasant young clerk came along and asked what I wanted. I said I didn't know. Well, that clerk began by asking what my tastes were, for something light, a bit of fiction, or something heavy. I said maybe my digestion wasn't up to par, but anyhow, at the moment, I felt rather high-brow. So he began suggesting various books, history, biography, a study of present-day economic conditions, and a lot more besides. In a jiffy he had a half dozen books off the shelves for me to look at. Believe me, that boy knew his stuff, knew his stock, and was as interested in helping me to find what might please me as if I'd been his best girl. When I finally got out of that store, I looked like Santa Claus.

That boy knew the leaves of those books he was selling as well as—well, as well as a cigar retailer ought to know the tobacco leaves that go to make up the cigars he sells. And show me a retailer who does know his stock that way and I'll show you one who makes sales that make more and better customers.

As I said before, you may strike an occasional grouch who won't be pleased with anything. But if you know all there is to know about what you're trying to sell, and do your darndest to help your customer find what suits his taste, then take it from Phulofax, D. B. I., you're going to find a real increase in sales coming your way.

E. A. KLINE RETURNS FROM EUROPE

E. A. Kline, of E. A. Kline & Company, manufacturer of the "Medalist" brand, has returned to New York after spending several weeks in Europe at Carlsbad.

WARNING!

BEWARE OF IMITATIONS

The original and genuine BAYUK PHILADELPHIA CIGARS, widely known as Bayuk "Phillies," are made only by Bayuk Cigars, Inc., Philadelphia

A penalty of success is IMITATION. It is not surprising that cigars so unusually popular as Bayuk "Phillies" should be imitated. Every leader is imitated. You may find inferior cigars bearing similar-sounding names or similar-looking bands. Don't be deceived. Get the fine, satisfying smoke you deserve by getting the genuine.

Look for the name "BAYUK" and get genuine, high-quality, ripe-tobacco

BAYUK "PHILLIES"

Look for the name "BAYUK" on the label.

Look for the ripe tobacco plant on the label

Tune in on the "BAYUK STAG PARTY" *Sunday evenings over* WJZ *and associated N.B.C. stations*

NOTICE To Manufacturers, Jobbers and Retailers: Bayuk is determined to protect Bayuk dealers and Bayuk smokers against the dishonest and unbusinesslike practice of misrepresentation and substitution. Already injunctions have been secured against certain offenders and more will follow as rapidly as the course of the Law will permit.

"BULL DURHAM" ESSAYS A COMEBACK

"COMMERCE AND FINANCE," New York City, in its September 2d issue, states:

"Many readers of *Commerce and Finance* doubtless will recall the proficiency with which two of our boyhood heroes, 'Billy' Anderson and William S. Hart, of nickelodeon fame, used to roll and light cigarettes with one hand while holding at gun's point a gang of Wild West bad men.

"In those halcyon days, 'Bull Durham' was a by-word among users of the then-considered 'noxious weed' and 'tailor-made' cigarettes were a rarity.

"Turning another page of memory's book, we recall service days in France, when it was a case of 'rolling your own' out of rationed supplies or going without 'smokes.'

"How times and customs have since changed! The once Wild West has become civilized and has been superseded by the Wild East. The 'movies' have developed into a $2,500,000,000 industry. During the fiscal year 1930, Uncle Sam collected almost $360,000,000 in taxes on withdrawals of about 120,000,000,000 cigarettes, the volume consumed having considerably more than doubled within the last decade.

"These random reflections are occasioned by the re-appearance last week, after an absence of nearly eight years, of the familiar Bull, who again invites readers of the printed page to 'roll their own.'

"'Bull Durham's' return to the advertising arena after this protracted period of browsing in the pasture has been decreed because of the change in economic conditions which has forced numerous smokers to curtail their purchases of 'tailor-mades' or to return to the ancient custom of rolling their own cigarettes.

"The advertising campaign, which will be conducted in approximately 1,900 newspapers throughout the country, began last week in all sections of the country except the Southwest, where it is scheduled to get under way this week. Announcement is made of a reduction in price from eight to five cents a sack. George W. Hill, president of the American Tobacco Co., recalls that 'Bull Durham' at 5 cents marked the entrance of his father, the late Percival S. Hill, into the tobacco business, and that its quality and popularity were always subjects of great pride to the latter. 'Therefore,' he concludes, 'it is particularly gratifying to us to offer this important saving and service to the American public at this time.'

"This advertising campaign will be run over a month's period and will appear generally on Mondays and Wednesdays, alternating with the 'Lucky Strike' ads, which usually run on Tuesdays and Thursdays. Upon the results of this initial drive will depend, no doubt, the continuance of this promotion effort.

"To the casual observer, it might appear that should success crown this experiment in reviving the popularity of 'Bull Durham,' inroads would be made on the company's sales of its most-advertised product, which have been holding up remarkably well in the face of depression. Apparently the American Tobacco Co. is willing to gamble on the effects of this 'inside' competition.

"Certainly the economy made possible will appeal to thousands of cigarette consumers at a time when purchasing power has been so sharply curtailed. While our memory on this point is dim, we are informed that a sack of smoking tobacco contains the 'makings' of from thirty to forty cigarettes, depending, of course, upon how thick they are 'rolled.' But if 5 cents' worth only made 20 cigarettes, the equivalent of one package of the machine-made product, the saving to the average smoker would be about 10 cents a day—at present by no means an inconsiderable item.

"One is led to wonder how our large and growing body of female smokers will react to the suggestion contained in the present advertising. The writer knows at least one young woman who for some time past has made it a practice to roll her own cigarettes. Should the American Tobacco Co. be able to exploit this idea and create a new fad among women smokers, the success of this latest idea of its advertising genius, George W. Hill, is assured. The writer passes this thought along to Mr. Hill for what it may be worth."

AUGUST MAGAZINE ADVERTISING DROPS

MAGAZINE advertising by the tobacco industry during August, 1931, totalled $463,666, a decline of 21.8 per cent. from the total of $593,035 for such advertising during the same month a year ago. Of this year's national magazine advertising total during August, the industry spent $361,275 or 84.5 per cent. for the promotion of cigarettes; $11,375 or 2.6 per cent. for cigars; and $55,116 or 12.9 per cent. for manufactured tobacco and smokers' supplies, according to the Business Survey Department of Dorrance, Sullivan & Company, Inc., New York advertising agents. Despite the decrease during the month, the total for the first eight months of 1931 still showed a slight gain of 0.8 per cent. over the same period in 1930, the 1931 expenditure being $4,176,422 as against $4,143,504 spent during those months in 1930.

During July, 1931, the industry spent $475,559 for radio broadcast advertising over national networks, a gain of 164 per cent. over the expenditure of $179,913 during July of 1930. The total expenditure for all farm and national advertising during the month was $927,411, a gain of 26.3 per cent. over the July, 1930, total of $734,469. The total for the first seven months of 1931 of radio advertising was $2,722,686, a gain of 142 per cent. over the similar expenditure of $1,121,837 during the like period of 1930. In the same seven months of 1931 the industry expended $6,435,442 for all national advertising, a gain of 37.7 per cent. over the similar expenditure of $4,672,306 in 1930.

The August, 1931, expenditure of $427,766 for national magazine advertising showed a decrease of 23.3 per cent. from the similar August, 1930, expenditure of $557,935. National farm magazine advertising increased from $35,100 during August last year to $35,900 this year, a gain of but 2.3 per cent. National magazines advertising during the first eight months of 1931 decreased 1.1 per cent. from $3,961,529 in 1930 to $3,918,622 in 1931, while national farm magazines increased their tobacco advertising from $181,975 for these eight months of 1930 to $257,800 in 1931, a gain of 41.7 per cent.

TOBACCO PRODUCTS EARNINGS

Tobacco Products Corporation and subsidiaries report, for the first six months of 1931, net profit of $1,077,282, equal to forty-eight cents a share on the Class A stock, as compared with $1,074,731 in the corresponding period of last year.

Stockholders of the corporation recently approved a reduction in authorized Class A stock to 2,242,000 shares from 2,467,000, and in the common stock to 3,298,000 shares from 5,000,000.

Let Autokraft Containers Package Your Cigars and And Aid Your Sales

AUTOKRAFT BOX CORPORATION has the largest and most complete facilities in this country for the production of cigar boxes.

It offers a NATION-WIDE Service through its branches which dot the cigar belt from the Atlantic seaboard to Kansas City, Mo.

Over a period of years no expense has been spared to develop not only the highest type of cigar container, but the most economical as well. Every possible economy, in both hand and mechanical operation, consistent with the production of reliable merchandise, has been introduced—and in turn passed on to the customer.

AUTOKRAFT believes today (and its research and experimental work continues unceasingly) that it is producing cigar boxes which represent not only the highest type of fabrication but which contribute, as well, superior display and sales advantages.

These are but two of many reasons why AUTOKRAFT cigar containers should interest every progressive cigar manufacturer.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.
NATION WIDE SERVICE

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.
Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

Fresh *as Tree-ripe Cherries*

© P. Lorillard Co., Inc.

CELLOPHANE SEALED

Sure, O. Gs. are sealed in Cellophane. They bring you all the freshness of a newly made cigarette, without any loss of natural moisture or fragrance.

And when you smoke an OLD GOLD you smoke a PURE-TOBACCO cigarette. Free of oily, foreign flavorings. Cellophane sealed, O. Gs. are fresh and fragrant whenever . . . wherever . . . you smoke them.

NOT A COUGH IN A CARLOAD

Old Gold
CIGARETTES

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City .. .. Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

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ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. .... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

TOBACCO INDUSTRY UNAFFECTED BY DEPRESSION

DEPRESSED business conditions are having comparatively little effect upon the tobacco industry, according to an analysis appearing in the current issue of *The Review,* published by the Bank of America of North America. Consumption of tobacco in the United States this year has been holding up at a fairly high rate, although not all branches of the industry have shared equally in these satisfactory conditions.

"The trends in the use of tobacco, which have been in progress for a number of years, are still in evidence," the analysis states. "There has been a further decline in the total consumption of cigars and of smoking and chewing tobacco, while the consumption of less expensive cigars has increased and the use of cigarettes has been maintained close to the level of 1930. The rapid and pronounced increase in cigarette production in the United States has been one of the outstanding developments of recent years. In 1914, total production of cigarettes in registered warehouses was reported as 16,870,000,000. By 1929 the total had increased to 122,402,000,000 cigarettes.

"The growth in cigarette consumption has been brought about by a number of factors, chief among which have been the concentration of the industry in the hands of a few large companies, the development of machinery for mass production, wrapping, etc., with a consequent lowering of prices, the extensive advertising of one particular brand by each of the principal companies, numerous and widely diversified sources of distribution and the spread of cigarette smoking among women."

The analysis points out that tobacco is one of the principal sources of revenue of the Federal Government, the total for the fiscal year ended June 30, last, being $443,000,000, of which $360,000,000, or about 80 per cent., was from cigarettes. Thirteen States also levy taxes on cigarettes.

On the subject of cigars the analysis states that while total cigar production has been declining, production of Class A cigars, made to retail at not more than 5 cents, has been increasing rapidly, reaching 2,276,479,000 in the first seven months of this year, against 2,183,035,000 in the same period a year ago. Class A cigars now represent more than half the total cigar production.

WALGREEN SALES INCREASE

Walgreen Company reports for August sales of $4,626,563, against $4,336,328 in August, 1930.

Sales for the eight months ended August 31, 1931, totaled $36,710,121, against $34,604,403 in the first eight months of last year.

R. J. REYNOLDS DIVIDENDS

Directors of the R. J. Reynolds Tobacco Company have declared regular quarterly dividends of seventy-five cents a share on both the common and common B stock of the Company. The dividends are payable October 1st to stockholders of record September 18th.

DUNHILL INTERNATIONAL REPORTS LOSS

Dunhill International, Inc., reports net loss of $111,423 for the first half of 1931, as compared with a net profit of $68,657, or 47 cents a share for the first half of last year.

BORNEO'S NEED FOR A WEDDING

IN FAR OFF Borneo, that semi-savage island in the Pacific half-way between the Malay Peninsula and the Philippines, the Dyak natives practice many strange customs. Strangest of these, to Western eyes, are the customs of wooing and the ritual of the marriage ceremony.

To attract the attention of the girl of his heart, the Dyak swain carries wood for her or helps her with some other tasks. When he feels that he has shown good will sufficient to impress the lady, he makes a midnight call at her domicile. Waking her stealthily, he offers her gifts of food. If she accepts them she has signified her willingness to "middle-aisle it" with him. A refusal of the gift means "no" for the wedding.

When the marriage ceremony begins the couple sit on two heated iron bars—symbolic of the iron bond of matrimony. A priest then approaches and presents each with a cigar and some betel nuts. What brand of cigars the natives prefer is unknown. You may be sure, however, that the best is none too good for this gala occasion, even though it may not measure up to the standards of economy and quality to which we are accustomed. A five-cent cigar free from spit tipping is what an American bride would undoubtedly insist upon under similar circumstances.

After the presentation of the cigars, the priest waves two chickens over their heads while uttering his incantations and blessings. Following this, the groom places the cigar between the lips of the bride and a betel nut in the hollow of her cheek and proclaims her to be his wife. The blood of the two chickens is then sprinkled over the newly-weds as the ceremony ends.

NORTH CAROLINA PRICES RISE

Prices paid for the better grades of tobacco in the new bright belt auction markets advanced sharply on September 3d. At Rocky Mount, N. C., the first 300 sales averaged $11 per one hundred pounds, approximately $4 a hundred higher than the day previous. Around 150,000 pounds were on the floors. Better demand for the higher grades increased the average. Common tobacco was unchanged.

Approximately 90,000 pounds on the floors at Tarboro were bringing an average of $10 a hundred in early sales, and the same figure was reached at Enfield, where 30,000 pounds were offered.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

A SHARP division of opinion among Congressional leaders as to the desirability of tax increases as a means of balancing the budget, evidenced by comment upon suggestions for tax legislation offered during the past week, is seen as throwing upon the President the responsibility of determining the policy to be adopted by his administration for the financing of the Government through the depression period.

Expectations are that the administration will make its policy known in the near future, indications being that if tax increases are determined upon chief reliance will be placed upon a limited sales or "luxury" tax, and possibly a gift tax to supplement the present estate taxes, as the sources of new revenue with the idea of imposing upon earned income as light a burden as possible.

Senator David A. Reed (Rep., Pa.) has announced his advocacy of a general sales tax of one-half of one per cent. on all retail sales, the repeal of the capital gains and loss provision in the existing income tax laws, and the imposition of higher inheritance taxes. Senator Reed is a Republican member of the Finance Committee.

Representative Isaac Bacharach (Rep., N. J.), who is very prominent as a member of the House Ways and Means Committee in which all revenue legislation must be initiated, proposes additional taxes on luxuries and nonessentials (but not on tobacco, which already is heavily taxed), increased surtaxes on incomes over $100,000, increased inheritance taxes and a gift tax to bolster up the latter and prevent its evasion to a considerable extent.

It is understood that the President has been doing considerable conferring on the subject of tax revision and it has been suggested that he has come to no conclusion thereon as yet. It developed that there is a marked division of opinion among his advisers, almost to the point where there are two camps in the Cabinet and in Congress. The so-called "inevitable" has been hinted at by Secretary of the Treasury Mellon and it is known that the President is tending towards the same direction.

How to accomplish a balancing of the budget through tax-return increases without disturbing business is what is said to be troubling the Administration.

Probable Increased Taxes Arouses Opposition

Possibilities that Congress next session may be called upon to increase taxes in order to avert a serious increase in the already large deficit which now threatens the Treasury, have aroused a great deal of opposition on the part of business and political leaders who hold that no legislation should be enacted which in any way will prevent the rapid recovery of business.

While there appears to have been a great deal of discussion regarding finances in administration circles, it is believed that every effort will be made to avert tax increases until industry is well along towards recovery, when, it is expected, materially heavier taxes will be imposed in order to cut the Treasury's deficit as rapidly as possible. However, it is stressed, such increases will be based upon the "ability to pay" so as not to interfere with the rapid return to normalcy.

In view of the fact that the presidential election will follow only a few months after Congress adjourns next summer, due consideration will be given the desire of the voters in this respect and neither party will be willing to do anything which would alienate the public at this time.

Price Cutting Decried by Manufacturing Chemists

Alarmed by the general tendency to slash commodity prices apparently without regard to cost of production, concerted efforts by all industries to prevent further price cutting is urged by W. D. Huntington, chairman of the executive committee of the manufacturing chemists' association of the United States.

"Declining prices," Mr. Huntington asserted, "are gradually bringing industries to ruin and the time has come when a definite stand must be taken to hold prices firm and check selling below cost." Unless an attempt is made immediately to correct the demoralized condition of the commodity markets, he asserted further, the situation will be much worse during the coming year.

There is no excuse for continuing the present downward trend of prices, Mr. Huntington said, as stocks today are at such low points that manufacturers are not forced by the necessity of unloading. "Under present conditions," he pointed out, "we have factories operating at far below the capacity, with a subsequent increase in unit cost of production but a great deal of selling below cost still persists."

In joining hands with James A. Farrell, chairman of the board of the United States Steel Corporation, in his stand against price cuts, Mr. Huntington suggested that many trade associations would be glad to co-operate with the United States Chamber of Commerce if that organization is willing to take the lead in carrying through a publicity program to put backbone into sales executives who, he charged, are to a large extent responsible for the demoralization of prices.

(Continued on Page 18)

LABELS AND BANDS TO BEAR ORIGIN MARK

CAPTAIN Frank X. A. Elbe, Commissioner of Customs, has issued a ruling that cigar bands and labels must continue to be marked with the country of origin, and the ruling will shortly be published as a formal Treasury decision.

This is the outcome of a case originating with woven labels for tailored garments, but later extended to embossed lithographed labels. All such labels were formerly required to be marked with the country of origin, but, early in this year, a ruling was issued, waiving the marking of the tailored labels, and also of lithographic labels, though the cigar bands and labels were not specifically mentioned.

Protests were made by domestic interests, and, among those appearing at a hearing before Captain Elbe, argument was made in behalf of the domestic manufacturers of cigar labels and bands and the entire lithographic industry, as well by the Tariff Service Bureau, the Import Committee of the American Paper Industry and Maurice Saunders, secretary of the Lithographers National Association.

The ruling, approved by Secretary Mellon of the Treasury Department, revokes the earlier rulings, and provides, specifically, that all such labels, even when used in the establishment of the importer, must be marked with the country of origin. Other regulations provide heavy penalties for the hiding or obscuring of such markings when used on cigars or cigar boxes.

The intent of the marking law is to encourage the use of American made goods by notifying purchasers when foreign merchandise is offered for sale.

LORILLARD EXECUTIVE DIES

Robert Browning Gibbs, sales manager for the P. Lorillard Company Cleveland office, passed away at the home of his father in Indianapolis recently, after an illness of five months. Heart disease was the cause of his death.

Mr. Gibbs was born in Lewisburg and moved to Indianapolis with his parents about eighteen years ago. He was employed by the Haag Drug Company before becoming associated with the P. Lorillard Company. After his association with the Lorillard Company, he spent one year in Detroit, and another in Buffalo, N. Y., and was then stationed in Cleveland.

Interment was in Lewisburg, Ky. He was thirty-five years old.

UNIVERSAL LEAF DIVIDENDS

Directors of the Universal Leaf Tobacco Company have declared the regular quarterly dividend of seventy-five cents on the common shares and $2 on the preferred shares.

The common dividend is payable November 2d to stockholders of record October 16th, and the preferred dividend is payable October 1st to stockholders of record September 17th.

AMERICAN SNUFF DIVIDENDS

Directors of the American Snuff Company, Memphis, Tenn., have declared dividends of 1½ per cent. on the preferred stock and 3 per cent. on the common stock of the company. Both dividends are payable October 1st to stockholders of record September 10th.

CIGARETTES THAT WENT TO SOUTH POLE PRESENTED AS TROPHY

A PACKAGE of cigarettes, which looked as though it had been traveled a great deal, was formally presented to W. B. Thomas, of Boston, aboard the good ship "City of New York," Admiral Byrd's Antarctic ship, by Lieutenant Lloyd K. Grenlie, recently.

In making the presentation, Lieutenant Grenlie said:

"I have great pleasure in handing to you this package of 'Chesterfield' cigarettes, which has made the trip with the Byrd Expedition to Antarctica. 'Chesterfields,' as you know, were the choice of Admiral Byrd and his men for the trip, and they came to have most unusual importance.

"It is a great pleasure, aboard this old bark, the City of New York, of the Byrd Antarctic Expedition, to have saved this one package out of the supply we took with us. It was good fortune, too, for the package was saved out of one of the greatest of the games of the South Polar region.

"It was called ciggy-ante, and was of course poker played with cigarettes for stakes. I did save just one package—and our issue was, I think, a carton a week a man—and I take pleasure in presenting it to you and through you to the Liggett & Myers Tobacco Co."

Mr. Thomas, who is the Boston representative of Liggett & Myers, accepted the gift as formally, and added that he should treasure it as a souvenir from the expedition.

PORTO RICO CONDITIONS

The Chairman of the Finance Committee, Senate of Porto Rico, and Chief Executive of the Commission for the Protection of Porto Rican tobacco, has been making an extended stay in the United States to study ways and means of increasing the use of Porto Rican tobacco in this country. During his stay here he visited the more important tobacco districts and inspected many of the foremost factories, in order to observe the most modern methods of production, manufacture and distribution.—*Bureau of Porto Rican Commerce and Industry.*

It has been stated that the last tobacco crop amounted to around 30,000,000 pounds; further, that sales during the last week in July were active, so that probably 60 or 65 per cent. of the tobacco has now been sold, at prices ranging from 25 cents per pound for the best down to 6 cents per pound for the poorest. The dull summer season is witnessing the usual amount of complaint regarding current business, and dark forebodings regarding that of the fall and winter. Nevertheless, it is not believed that Porto Rico is in any worse condition today than it has been on August 1st of any of the past five years; as a matter of fact, it seems better off. Owing to an overpopulation of the Island, large numbers of people are chronically unemployed and there generally prevails a very low purchasing power. But while all the rest of the world is suffering, Porto Rico is producing as much and buying as much (in quantity) as it ever did.—*Trade Commissioner J. R. McKey.*

UNITED STORES CORPORATION

United Stores Corporation reports for the six months ended June 30, 1931, earnings of $1.69 a share on the $6 cumulative preferred stock, against net loss of $12,445 in the same period of 1930.

CUBANS REFUSE WAGE REDUCTIONS

CUBA'S cigar industry is again facing a strike of workers as the result of the recent wage conference between cigar and cigarette factory owners and approximately four thousand workers.

The workers flatly refused to accept the announcement that, beginning September 1st, wages would be reduced 30 per cent., thus restoring wage scales prevalent in 1919.

The National Cigar and Cigarette Factory Owners Association has been granted a term to change their intentions to cut wages lest a general strike, effecting the tobacco industry from one extreme of the island to the other, be called at once.

The score or more of unions and organizations protecting the interests of the cigar and cigarette makers in which 30 per cent. of the members are women, are now organizing to put up a stiff resistance to the contemplated cut.

TOBACCO MARKET CONDITIONS IN CUBA

During the second quarter of 1931, the Cuban market was almost "cleaned up" of *Remedios* tobacco from the 1930 crop according to a report prepared by American Consul General F. T. F. Dumont and released by the Tobacco Division of the Department of Commerce. Octavas and Third Capaduras, plentiful in quantity, sold steadily. The good lots sold on their merits, while the poorer lots were moved by being offered at extremely low figures. The United States and Germany were the largest buyers. This also applies to First and Second *Capaduras,* not so plentiful but what there was in the market kept moving until hardly any stocks remained.

About 2000 bales of firsts and seconds averaged $32 per quintal for firsts and $22 per quintal for seconds. Manchados and packs of Hojas have been bought by the Spanish Regie in considerable quantities at very low prices, therefore practically nothing remains of any grades of *Remedios,* because the stocks of Bote were almost exhausted some time ago. The bulk of the buying of low grades was for export to Europe.

In *Vuelta Abajo* there were not many transactions except for the very low grades which were taken out of the market for export to Europe at prices which hardly pay for the cost of labor incurred in packing. Consequently, this year the packers intend to adopt the policy of eliminating the low grades as much as possible to avoid packing them. There has been a general movement on foot to encourage the packers to throw away these grades, or use them for fertilizer. This would curtail the number of bales without detriment to the grower and packer, and might have a slight influence on prices of low grades.

In *Remedios,* buying of the 1931 crop has not yet started generally, although several country packings have arrived in Havana. All the cro has been bundled, however, and the farmers are waiting for the buyers to appear to make offers. The only tobaccos coming into Habana now in regular shipments are Partido rezagos and wrappers from the different apckings which have been delayed by prolonged dry weather. Partido is a mixed crop, but some very fine specimens of rezagos have been seen. There is also a considerable quantity of tobacco which can be classified only as medium quality. In addition to Partido there have arrived some lots of shade-grown Vuelta Abajo tobacco, which is cultivated under cheese cloth, to produce wrappers. The several types of Vuelta wrappers seen this year show unusual quality and have found ready buyers as soon as the tobacco reached the market.

Complete statistics relative to the total winter crop of tobacco have not been published, but the National Commission for the Defense of the Tobacco Industry states that the Partido crop of 1931 will amount to 18,629 bales, 10,955 bales of which are wrapper and 7674 bales filler. Although these figures indicate a slight decrease in quantity, it is claimed that the quality is much better than the 1930 crop. The Tobacco Planters' Association has supported the quality standard and has recommended cultivation only on carefully selected lands. It has finally been decided that no official tobacco restriction would be requested. Notwithstanding the great surplus of tobacco produced as compared to that consumed it was considered that Government action was not necessary because the exports of quality products should take care of the surplus. There appears to be a more decided effort to curtail the planting of the new crop by limiting the area to be planted to parts of farms known to be most suitable, so that each farmer plants only the number of plants that he can take care of properly. This will insure better attention to the plants during development and produce a finer quality. Very few buyers show an interest in making purchases in the country districts. Country packers are wondering just where to obtain financial assistance, as banks are not advancing money and Habana speculators are afraid of the situation, financial and political. Habana packers offer extremely low prices and are buying on a small scale, forcing farmers to pack their own tobacco, both in Remedios and Vuelta Abajo.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

CLARKE CUTLER:—45,930. For all tobacco products. August 25, 1931. George Schlegel, Inc., New York, N. Y.

OLD FIELD:—45,931. For all tobacco products. July 26, 1931. Barlow-Moore Tobacco Co., Inc., Bowling Green, Ky.

GENERAL ANTRANIC:—45,932. For cigars, cigarettes and tobacco. August 21, 1931. Bengoian & Son, Cambridge, Mass.

TELECAST:—45,933. For all tobacco products. August 28, 1931. George Schlegel, Inc., New York, N. Y.

BOTOLPH:—45,934. For cigars, cigarettes and tobacco. August 11, 1931. Charles B. Perkins Co., Boston, Mass.

TRANSFERS

ARMOUR CLAD:—45,925 (T. M. A.). For all tobacco products. Registered June 18, 1931, by Consolidated Litho. Corp., Brooklyn, N. Y. Transferred to Kohler & Snyder, Yoe, Pa., September 3, 1931.

HILDANA:—35,695 (United Registration Bureau). Registered March 10, 1910, and **19,843** (Tobacco World), registered March 19, 1910. Both for cigars, cigarettes, cheroots and tobacco. By the American Litho. Co., New York, N. Y. Through mesne transfers acquired by J. W. Strieder Co., and re-transferred to Edward A. Levin, Boston, Mass., September 4, 1931.

News from Congress

(Continued from Page 15)

Hearings on Increased Freight Rates September 21

Oral arguments on the application of the railroads of the country for authority to increase their freight rates 15 per cent. will be heard by the full membership of the Interstate Commerce Commission of Washington beginning on September 21, it has been announced.

The filing of briefs and the presentation of oral arguments before all the commissioners follows a series of hearings conducted by a section of five of the commissioners in eight cities throughout the country, in addition to the original hearing.

Representatives of a large number of industries opposed the railroads' application for increased freight rates at the hearings which were held in Washington; Portland, Me.; Portland, Ore.; San Francisco, Salt Lake City, Atlanta, Dallas, Kansas City, Mo., and Chicago. In general, their opposition was based upon the contention that to increase freight rates at this time would impose a serious burden upon the recovery of business, which it is believed can be expedited materially by reduction in prices to the public. Such reductions on the part of manufacturers, it was declared, would be more than offset by the increase in freight charges.

Commercial Fraud Losses Enormous

Losses due to commercialized fraud and racketeering are "enormous" and "very probably far exceed those due to any other form of crime," it is declared in a report on the cost of crime and criminal justice just submitted to the President by the Wickersham Commission on law observance and enforcement.

More than 650 printed pages were required for the discussion of the cost of crime, but no effort was made to evaluate the total in dollars and cents, the Commission declaring that "it is wholly impossible to make an accurate estimate of the total economic cost of crime to the United States."

As an example of the losses to which business men are exposed, the report cites figures for the jewelry industry, showing that thefts from jewelers during the five years from 1925 to 1929, inclusive, averaged $2,068,334 a year. Bank burglaries and robberies over a period of ten years averaged $1,576,575, thefts of railroad freight averaged $3,855,374, insured losses due to automobile thefts averaged $15,831,425, insured losses due to mercantile open stock burglary averaged $1,584,333, insured losses due to mercantile safe burglary averaged $9,984,915, losses due to office and store robbery averaged $957,029, and losses due to paymaster robbery averaged $232,592. The total of all types of insured losses due to thefts averages $25,761,797.

These figures, it is pointed out, are by no means complete but are merely indicative. No effort is made to tabulate commercialized fraud, such as insurance frauds, fraudulent bankruptcies, securities frauds, credit frauds and forgery. Added to the direct losses, it is pointed out, is the cost of insurance and the cost of policing, both public and private, detection, courts and prisons.

R. F. D. Letter Boxes Not for Circulars, Etc.

Letter boxes along rural routes are exclusively for stamped mail matter and business houses placing sales bills, circulars or other matter in such boxes without payment of postage and without addresses thereon will be subject to penalty, according to orders just issued by Third Assistant Postmaster General F. A. Tilton.

A number of reports have been received, it was explained at the Post Office Department, that circulars and other advertising material were being distributed along rural routes by being placed in letter boxes, in violation of the postal regulations.

"Mail boxes on rural routes are erected exclusively for the reception of mail matter," it was declared. "All mailable matter deposited in such boxes is subject to the conditions prescribed for mail matter, including the payment of proper postage and proper addressing.

"When matter is deposited in mail boxes along rural routes without payment of postage, it should be brought to the post office by the carrier and the senders notified of the amount of postage required on the matter and requested to furnish the same."

Depression Causes Loss in Foreign Trade

Tremendous losses in our foreign trade as a result of world depression are shown by figures just compiled by the Department of Commerce, reporting a drop of nearly $1,000,000,000 in exports for the first seven months of this year as compared with the corresponding period of 1930 and a decline of nearly $700,000,000 in imports for the same period.

Trade with every section of the world is materially less than it was a year ago, at which time, in turn, it was considerably below the same period in 1929.

OCTOBER 1, 1931

VOLUME 51 No. 19

THE TOBACCO WORLD

LIBRARY RECEIVED Dec 1 1931 U.S. Department of Agriculture

Let Autokraft Containers Package Your Cigars And Aid Your Sales

AUTOKRAFT BOX CORPORATION has the largest and most complete facilities in this country for the production of cigar boxes.

It offers a NATION-WIDE Service through its branches which dot the cigar belt from the Atlantic seaboard to Kansas City, Mo.

Over a period of years no expense has been spared to develop not only the highest type of cigar container, but the most economical as well. Every possible economy, in both hand and mechanical operation, consistent with the production of reliable merchandise, has been introduced—and in turn passed on to the customer.

AUTOKRAFT believes today (and its research and experimental work continues unceasingly) that it is producing cigar boxes which represent not only the highest type of fabrication but which contribute, as well, superior display and sales advantages.

These are but two of many reasons why AUTOKRAFT cigar containers should interest every progressive cigar manufacturer.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

SALES POSSIBILITIES

You select your territories according to their
Sales Possibilities

You choose your salesmen according to their
Sales Possibilities

You should pack your cigars to get the utmost in
Sales Possibilities

Let the customer see the sales points of your brands (size, shape and color) at a glance—by packing your cigars in Wooden Boxes.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 19

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, OCTOBER 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

WHILE we are being heartily criticized for disclosing a spirit of pessimism in the printing of comparative statistics showing the continued decline in cigar withdrawals, we feel that some of our good cigar manufacturing friends are looking at individual sales and perhaps disregard the adage that "no chain is stronger than its weakest link."

Perhaps the smaller cigar manufacturers are doing much to keep alive the traditions of cigar smoking. They could not exist without some following, and while some of the patrons of their brands may have drifted to those nationally advertised, the fact remains that they are manufacturing and selling cigars, and thus contributing to their popularity.

So far as our reading of cigar advertising is concerned, only one organization seems to be introducing copy definitely directed to the purpose of creating new smokers.

It seems to us that most other cigar advertising seeks to induce the smoker to change his brand. And of what benefit is that to a declining industry in the long run?

If cigar smoking is decreasing, of what benefit is the temporary increase in brand sales to any corporation?

It may be interpreted as a perfectly good gesture to the stockholders, but how about next year, and the year after that? If the industry is no longer able to create new cigar smokers but in addition fails to hold the loyalty of the old smokers, the volume of production must reach a point where even the largest concerns can have no further hope for the expansion of their markets. And this thought opens a pertinent field for discussion from several angles, in which the banking fraternity is already beginning to show an interest.

The cigar withdrawals for the months of August from 1920 to 1931 inclusive are as follows:

1920	672,020,289	1926	594,241,547
1921	622,039,033	1927	604,869,901
1922	641,164,181	1928	601,877,267
1923	616,264,768	1929	598,582,720
1924	573,626,977	1930	517,199,767
1925	557,432,039	1931	463,255,644

Not only do the figures for August, 1931, represent a decline of more than 81,000,000 cigars but they are the smallest in the twelve-year period for which statistics are presented herewith, and August, 1930, cigar withdraws were the lowest for the eleven-year period.

In twelve-years more than 208,000,000 less cigars were stamped for sale in August, 1931, than in August, 1920. For the same period July, 1931, was off almost 200,000,000. The difference between withdrawals in June, 1920, and those in June, 1931, was more than 190,000,000. The total loss for these three months over a twelve-year period is more than 598,000,000 cigars!

Economic factors undoubtedly contribute to some extent to the monthly losses of the cigar industry. Other tobacco products are suffering as well, if there is any consolation in that angle of the situation.

Right at this time every industry is making gigantic efforts to hold its markets by giving the consumer the utmost in quality for the money expended.

In the treatment of so delicate a product as tobacco we have already assumed the position that the non-porous wrapper is of no benefit to the smoking qualities of the cigar. The fact, as claimed at least, that it keeps the cigar "fresh" longer, proves nothing to the discriminating smoker. It may keep the cigar soggy, prevent the natural ripening of the tobacco, and destroy the "smoke enjoyment" which a consumer would get from a cigar in its natural wrapper.

We challenge any cigar manufacturer who uses the non-porous transparent wrapper to open a box of his own cigars and detect the aroma of tobacco such as came from a wooden box when his brands were thus packed in their natural wrappers. And what cigar smoker is going to take an interest in purchasing cigars when he can't even get the smell of tobacco from an open box?

The fact of the matter is that the market for cigars is drifting down to the old cigar smokers who have formed an irresistible habit for smoking a cigar. They know the cigars are tasting and smoking differently and they smoke less of them as a result, but the habit is fixed and they must keep a cigar in their mouth. The discriminating smokers who no longer can afford the clear Havana in their natural wrappers are drifting off to the use of tobacco in other forms, or discontinuing its use entirely.

An important cigar manufacturer recently wrote a customer who complained about the great change in the taste of his favorite brand since it had appeared in the non-porous wrapper, that the smokers of the

(*Continued on page 15*)

PHILADELPHIA.

KATE SMITH NOW ON "LA PALINA" PROGRAM

BEGINNING last week, the Congress Cigar Company has announced that Kate Smith will be featured on their regular radio program on Monday, Wednesday, Thursday and Saturday evenings at 8:30 P. M., Eastern Standard Time, over the Columbia Broadcasting System.

Willis Andruss, sales manager for the Congress Company, is in the Middle West conferring with distributors on plans for the fall campaign on "La Palina." Meanwhile orders are coming in in steady volume on this famous quality brand, and prospects for a good fall business are excellent.

YAHN & McDONNELL BUSINESS GOOD

Yahn & McDonnell, 617 Chestnut Street, distributors of well-known high-grade domestic and imported cigars, smoking tobacco, and smokers' articles, reports business good on their several lines, with a fine outlook for the fall season.

They have just received the new packing of the "Dawn" cigarette, which they distribute in this territory and they are being favorably received by the smoker. The new packing consists of two flat packages of ten cigarettes each wrapped in cellophane and retailing at twenty-five cents. The smoker upon receiving the cellophane package can easily slip the cellophane wrap off and then place one package of ten cigarettes in each pocket thus reducing the bulk.

Mr. Snyder, of Corral Wodiska y Ca., Tampa manufacturers of the "Bering" clear Havana cigar, was a visitor at Yahn & McDonnell headquarters last week and reports business excellent on this high-grade brand.

A. H. Gregg, of Faber, Coe & Gregg, New York City, was a visitor here on Monday and reports business very good on their brands.

ROYAL KASING FLUID COMPANY BUSINESS EXPANDING

At the offices of the Royal Kasing Fluid Company, 139 North Third Street, they report orders for their kasing fluids coming in in good volume.

Manufacturers, growers and packers are now receiving shipments of their fluids and find them to be equal to all that is claimed for them. Anyone experiencing difficulty with the burn of their leaf tobacco should not hesitate to get in touch with the Royal Kasing Fluid Company and learn just what these fluids will do for them.

BAYUKS RECEIVING HOLIDAY ORDERS

AT BAYUK Cigars, Incorporated, headquarters at Ninth Street and Columbia Avenue they report receipt of a goodly volume of holiday orders coming in, which gives rise to a highly encouraging outlook for business for the balance of the year.

They are also in receipt of a radiogram from Bergen, Norway, from Captain Wilkins, who has recently returned from his trip beneath the ice near the North Pole on board the submarine "Nautilus," stating that a quantity of Bayuk "It's Ripe Tobacco Cigars" which were taken on the trip "carried well, smoked well and tasted well throughout the voyage" of the "Nautilus." It is on such trips as that of the "Nautilus" that good cigars are cherished and thoroughly enjoyed, and it is a tribute to the Bayuk factory that Bayuk cigars were included in the small quantity of necessary stores which could be carried on such a trip.

Mark A. Pollack, of the Havana leaf tobacco firm of that name, was a visitor at the Bayuk factory last week.

W. R. Wilsford is assisting the sales organization of O. C. Taylor & Company, Burlington, Vt., in the distribution of Bayuk cigars in that territory with marked success.

J. J. Unger is doing some effective promotional work on Bayuk brands in Binghamton and territorial tributaries where the Scranton Tobacco Company supervises the sale of Bayuk "It's Ripe Tobacco Cigars."

Safiers, Incorporated, Cleveland, Ohio, are making splendid progress on Bayuk cigars in that territory and are being aided by P. T. Morris, Bayuk salesman.

Lee B. Webb is doing some missionary work for the H. O. Wooten Grocery Company, of Amarillo, Tex., working under the direction of J. H. Wagner, territorial manager.

Current newspaper advertising of Bayuk Cigars, Incorporated, calls the attention of the public to the fact that there has been a decided change made in the quality of the "Bayuk Phillies" and smokers are urged to try a "Bayuk Phillie" at once in case they haven't been smoking them recently, and be convinced that they are better than ever. Their attention is also called to the fact that "Bayuk Phillies" is the brand formerly known as "Bayuk Philadelphia Hand Made."

Oh! You Lucky Tab!!

MOISTURE-PROOF CELLOPHANE

Sealed Tight—Ever Right

The Unique HUMIDOR PACKAGE

Zip—

and it's open!

See the new notched tab on the top of the package. Hold down one half with your thumb. Tear off the other half. Simple. Quick. Zip! That's all. Unique! Wrapped in dust-proof, moisture-proof, germ-proof Cellophane. Clean, protected, neat, FRESH!—what could be more modern than LUCKIES' improved Humidor package—so easy to open! *Ladies—the LUCKY tab is—your finger nail protection.*

* * * * * * *

Made of the finest tobaccos—The Cream of many Crops—LUCKY STRIKE alone offers the throat protection of the exclusive "TOASTING" Process which includes the use of modern Ultra Violet Rays—the process that expels certain biting, harsh irritants naturally present in every tobacco leaf. These expelled irritants are not present in your LUCKY STRIKE! *"They're out—so they can't be in!"* No wonder LUCKIES are always kind to your throat.

"It's toasted"

Your Throat Protection—against irritation—against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

TUNE IN—The Lucky Strike Dance Orchestra, every Tuesday, Thursday and Saturday evening over N. B. C. networks.

© 1931, The American Tobacco Co., Mfrs.

PORTO RICAN SITUATION CRITICAL

ACCORDING to Governor Roosevelt's annual report to President Hoover, on conditions in Porto Rico, the situation there is reported as showing improvement but still bad, and the tobacco situation particularly is characterized as "critical."

Governor Roosevelt arrived in this country recently to attend the American Legion convention in Detroit.

Referring to the tobacco situation on the island, the Governor states "our tobacco growers find themselves in the same bad situation. Very little of our crop has been sold, and the prices obtained for that are such as barely to pay the cultivators for their yearly labor. The situation is, therefore, critical, for if the crop is not sold the farmers cannot obtain the money wherewith to continue their planting.

"Furthermore, with this crop still hanging over our heads, the next crop might well glut the market further. Our difficulty lies in the fact that our tobacco is of too high a grade to be used profitably in the cheaper cigars, which with the depression in the United States have largely taken the place of the more expensive."

According to recent news dispatches from the island, tobacco buyers representing American manufacturers have received anonymous letters warning of "night riders" whose activities would include the destruction of warehouses and tobacco. The burning of a number of barns has already been reported. The letters are also said to threaten the buyers' lives.

WAGNER HOUSE REPORTS GOOD BUSINESS

John Wagner & Sons, distributors of high-grade imported and domestic cigars, report their brands enjoying a steady and satisfactory demand, and experiencing very little, if any, evidence of a depression.

Ben Lumley, "Garcia" and "Vega" and "Carl Upmann" representative is away on a trip through western Pennsylvania and upper New York State, and a letter received from him in Pittsburgh reports that he is finding conditions much improved and receiving highly satisfactory orders for his brands.

Joseph Wagner returned last week from a vacation of several weeks spent in the wilds of Canada with a party of friends, and stated he had the distinction of catching the biggest fish of anyone in the party.

Clarence Wilson, of the shipping department, has returned from a trip to Detroit, where he attended the American Legion convention, with glowing accounts of a glorious time. During his trip he crossed the border into Canada and he was particularly enthusiastic about the brand of good cheer dispensed in that country. Just why he found it necessary to cross the border, he did not disclose.

LORILLARD MEETING AGAIN POSTPONED

An adjournment of the annual meeting of the stockholders of P. Lorillard Company, until October 13th, was made at the meeting held on September 15th, it was announced by H. Laurence Brooks, secretary of the company, following the meeting.

The meeting already has been postponed three times pending a decision of the New Jersey Court of Errors and Appeals on the injunction granted by the Chancery Court restraining a vote on a revision of the bonus plan for officers and employees of the company.

SUMATRA DECISION STILL IN DOUBT

DESPITE rumors that a decision had been arrived at in regard to the importation of Sumatra tobacco after January 1, 1932, and that the announcement would be made in a very short time, the Treasury Department has been engaged in further investigations on this matter during the past two weeks, and it is probable that the announcement will not be made for some time.

H. F. Worley was designated by the Department to make further investigations and he spent some time in Connecticut in conference with various tobacco growers there, and later, in New York City where he held conferences with prominent cigar manufacturers in a meeting at the Hotel Roosevelt, and a meeting was also held with leaf dealers on Water Street.

In each instance the conferences were private and were attended only at the invitation of the Treasury Department. They were arranged at short notice, and, according to Mr. Worley, were called solely to furnish the Department with additional information on which to base its ultimate ruling.

Those who participated in the conference of cigar manufacturers at the Hotel Roosevelt were: B. G. Meyer, of the General Cigar Company; Harvey L. Hirst, Bayuk Cigars, Incorporated; Julius Lichtenstein, Consolidated Cigar Corporation; D. Emil Klein, of D. Emil Klein Company; Mortimer Regensburg, E. Regensburg & Sons; Jacob Mazer, Mazer-Cressman Cigar Company, Incorporated; P. H. Gorman, American Cigar Company; T. C. Breen, Porto Rican-American Tobacco Company; Harry Knapp, Waitt & Bond, Incorporated; Ben Schwartz, Congress Cigar Company, Incorporated, and T. W. Horton, of G. W. Van Slyke & Horton.

CASH COUPONS IN CIGARETTES

The Philip Morris & Company has adopted the cash coupon in promoting their "Unis" brand of cigarettes in the south. The cigarette retails at fifteen cents a package, and each package contains a coupon redeemable at one cent each in cash.

It is reported that the cigarette coupon has been accepted in lieu of cash wherever the cigarette has been introduced, for the purchase of newspapers, matches and other small articles and even in some of the motion picture theatres. The holder may redeem the coupons for cash or for ten different articles which are listed on the back of the coupon.

Retailers who redeem the coupons are permitted to use them for cash transactions with their jobber, and the jobber who redeems the coupons receives their cash face value and an additional 5 per cent. which is allowed him for his services in making the redemption.

The Biow Company, Incorporated, New York advertising agency, is now in charge of the advertising campaign of the "Unis" cigarette and eleven radio stations between Baltimore and Atlanta are being used. The advertising consists of weather reports being broadcast twice nightly over the radio stations.

SAUNDERS JOINS BOBROW BROTHERS

W. G. Saunders, son of C. W. Saunders, who is well known throughout the South and East as representative of the Cortez Cigar Company, has joined the sales force of Bobrow Brothers, and will represent that firm in the territory including Washington, D. C., and south to Florida. Mr. Saunders is well known in that territory, and sales of "Bold" and "Cliveden Hall" cigars can be expected to show a nice increase in the future.

Have you tried Camels?

THE steady increase in the sales of Camel cigarettes proves one fact beyond a doubt.

If you try Camels, the odds are very much against your ever going back to your old brand.

So great is the contrast between the delights of perfectly conditioned Camels fresh from the protection of the new Humidor Pack and the harsh, hot smoke from stale dried-out cigarettes, that your decision will be immediate.

The quality is there in the first place, for Camels are a blend of choice Turkish and mild Domestic tobaccos.

In factory-prime condition, with their rare flavor and their natural moisture still intact, they are a joy to the smoker.

Now this flavor is air-sealed-in by an outer wrapping of moisture-proof Cellophane, so that no matter where you buy Camels, in any land, in any climate, you are always certain to get fresh cigarettes in factory-prime condition.

And there are other advantages as well. For the Humidor Pack also protects the cigarettes within from dust and germs and weather conditions.

Start the day on Camels. See how much milder they are, how much more flavorful they are, how cool they are to the throat.

No peppery dust to irritate delicate membrane. No harsh, hot smoke from dried-out tobacco to burn the tongue or sear the throat.

Switch to Camels for a day, then leave them — if you can.

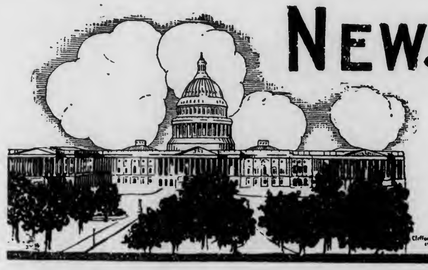
Tune in CAMEL QUARTER HOUR featuring Morton Downey and Tony Wons — Camel Orchestra, Direction Jacques Renard — Columbia System — every night except Sunday

CAMELS

Mild . . NO CIGARETTY AFTER-TASTE

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

©1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.



NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

USE OF indentured labor in the tobacco-raising industry of Sumatra is to be discontinued, in order that there may be no grounds for imposition of an embargo against the importation into the United States of Sumatra wrapper, according to information just laid before officials of the customs service here.

Acting under a provision of the 1930 Tariff Act, which prohibits the importation after January 1, next, of all products produced in whole or in part by convict, indentured or forced labor, American tobacco growers some time ago appealed to the Treasury Department for a ban on Sumatra tobacco. Hearings were held before officials of the department, at which it was contended there is sufficient domestic wrapper grown to meet the demand so that it would not be necessary to exempt Sumatra tobacco from the law on the ground that it was needed.

Following the hearings, it was announced that the matter would be taken under consideration and an order issued before the end of the year.

Wholesale Trade Centered in Small Areas

Concentration of the wholesale trade of the United States within certain small areas is disclosed by figures just compiled by the United States Census Bureau, showing that of the $69,490,771,331 of wholesale trade reported for the country in 1929, $45,794,370,223, or 65.88 per cent., was done in eight States, and $35,682,096,609, or more than 50 per cent., by ten counties and the independent city of St. Louis.

New York is shown to be well in the lead among the States, with sales amounting to $17,664,514,767, or 25.42 per cent. of the total, followed by Illinois with $6,860,820,303, or 9.87 per cent.; Pennsylvania with $4,761,812,064, or 6.85 per cent.; California with $4,159,323,157, or 5.99 per cent.; Missouri with $3,361,561,643, or 4.84 per cent.; Ohio with $3,094,444,580, or 4.45 per cent.; Massachusetts with $3,087,684,593, or 4.44 per cent.; and Texas with $2,804,509,116, or 4.04 per cent.

The eleven counties in which more than half of the wholesale business of the country is transacted are Los Angeles and San Francisco counties, Cal.; Cook County, Ill.; Suffolk County, Mass.; Wayne County, Mich.; Jackson County, and St. Louis City, Mo.; New York County, N. Y.; Cuyahoga County, Ohio; Allegheny and Philadelphia Counties, Pa.

The wholesale establishments of the United States employed during 1929 on a full time basis no less than 1,607,704 men and women, of which 294,770 were female employees. Wholesalers absorbed considerably over one-half of the total employees in the wholesale field.

The 169,757 establishments operating in the wholesale field have contributed to the payroll of the country a total of $3,015,109,766. It is impossible, however, to compute the average salaries and wages per employee, since it is not known for what length of time the 1,607,704 persons were employed during the year. Furthermore, the figures cover establishments that came into existence during the year.

The stocks on hand on or about December 31, 1929, or at the beginning of 1930, in all of the wholesale establishments showed a cost value of $5,508,988,135. Of this amount wholesalers only, carried no less than $2,453,330,747 in stocks, thus showing a large investment by wholesalers in merchandise, which is one of the principal functions performed in the wholesale field.

Imports Exceed Exports for August

The United States, as a result of world depression has joined the long list of countries which import more than they export, our foreign trade in August, reaching new low levels for the past seventeen years in both exports and imports, showing an adverse balance of $1,000,000, it is disclosed by preliminary figures just compiled by the Department of Commerce.

August exports, the department reported, totaled only $165,000,000, a drop of approximately $5,727,000 from the July total of $180,727,000 and $132,765,000 below the $297,765,000 reported for August, 1930, while imports were $166,000,000, a drop of $8,481,000 from the July total of $174,481,000 and $52,417,000 from the August, 1930, total of $218,417,000. As compared with August, 1929, exports showed a decline of $215,500,000 and imports a drop of $203,500,000.

The adverse balance registered in August, the department's figures show, represented a net loss of over $80,000,000 in foreign trade as compared with August, 1930, when a favorable balance of $79,348,000 was recorded. While the adverse balance registered for the month was the accompaniment of a steadily diminishing foreign trade, such a situation is not unknown in more prosperous times, there having been an excess of imports of more than $15,000,000 in May, 1929, and an adverse balance recorded steadily throughout the first four months of 1926. It is to be noticed, however, that in the earlier periods the unfavorable balance was registered during the first half of the year, trade for August during the five years prior to 1931 having shown a favorable balance of from $10,000,000 to $80,000,000.

Credit Conditions Remain Satisfactory

Retail credit conditions throughout the country were maintained at a satisfactory level during the first

ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf cased with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY

139 North Third Street, Philadelphia, Pa.

STANDARD BRANDS EXPANDING

NEW buildings are being erected by Standard Brands, Inc., in two cities and larger quarters are being leased in seven other cities throughout the country as a result of steady growth since the merger of Fleischman's Yeast, Royal Baking Powder, Chase & Sanborn, E. W. Gillett Company, Ltd., and Widlar Food Products Company two years ago.

In Montreal the activities of Standard Brands are being combined under one roof in a new $60,000 structure, which is being added to the present quarters. A $50,000 building is nearing completion in Kansas City as a new district headquarters. In both cities the construction is in the hands of local contractors hiring local workmen.

Larger leased quarters increasing the company's space from 50 to 100 per cent. in each city have been taken in Dallas, Tex.; Richmond, Va.; Canton, O.; Sacramento, Calif.; New Brunswick, N. J.; Stapleton, N. Y., and New Haven, Conn.

WHEN TO SMOKE

Dr. D. Lechmere Anderson, Medical Officer of Health for Doncaster, writing in the *Irish Times*, states: Any overindulgence should, of course, be shunned. A liberal quantity for an adult whose life is largely spent out of doors being four ounces of a medium tobacco weekly, while for the indoor worker two and a half ounces should be the maximum. With restraint to this amount, it cannot be said that smoking is beneficial, it cannot, on the contrary, in the majority of cases, be said that the action of tobacco is deleterious to health, while its drug action upon the system to those who enjoy it is certainly pleasurable and soothing. The most favorable times for smoking are those just after meals and in the evening, especially for those who have any considerable amount of mental work or worry, the sedative action being peculiarly restful to the harassed nervous system, but care should be taken that the room is sufficiently aired.

The late Professor Walter Ernest Dixon, one of the foremost experts, once stated that tobacco was both a stimulant and a sedative. It was most soothing to the nerves of the hypersensitive, while it stimulated and quickened the brain of the dull, apathetic individual.

TOBACCO MAN'S SON HELD FOR HOLD-UP

A YOUNG man, who gave his name as Archie Glenn, of Winston-Salem, N. C., was arrested, and, after a hearing, held without bail on charges of an attempted hold-up here on Saturday afternoon.

Glenn surrendered to police on Saturday afternoon and confessed he was one of the men who blackjacked a restaurant proprietor a few hours earlier but fled without obtaining any money.

An attorney from Winston-Salem arrived here on Sunday and conferred with police officials about obtaining Glenn's release. According to the attorney, the boy's father is connected with one of the large tobacco firms in Winston-Salem.

The boy left home sometime ago in his automobile and his father had not heard from him until last Saturday.

Two girls were arrested later charged with being implicated in the hold-up, and another man is being sought.

NEW CIGAR FIRM IN CHICAGO

Harold Frisch, formerly representative of "Natural Bloom" cigars in Chicago, has engaged in the cigar manufacturing business "on his own" and announces the opening of his factory at 1355 Milwaukee Avenue, Chicago, Ill., where he will manufacture the "Belrica," all quality Havana cigar. Mr. Frisch's business will be operated under the firm name of Frisch Cigar Industries, with business offices at 185 N. Wabash Avenue, Chicago, Ill.

SMOKERS CAUSE 20 PER CENT. OF FOREST FIRES

Forest fires in the United States last year burned over 52,266,460 acres with a loss of $65,968,350, according to figures given out last week by the Forest Service in Washington.

The Forest Service stated that organized protection proved its effectiveness by keeping down fire losses on protected areas to 5,809,320 acres, as compared with 46,457,140 acres destroyed on unprotected lands.

The total number of fires last year was 190,980, of which 70,832 occurred on protected forests. Careless smokers were blamed for causing 17,460, or more than 20 per cent. of all fires on the protected areas.

PHIL M. PHULOFAX RETURNING FULL O' PEP

"Returning home tired but triumphant.
"PHIL M. PHULOFAX, D. B. I."

IF THERE was a Mrs. Phulofax—which there isn't, as most of you know—that's the text of a telegram she'd be getting from me about two weeks from now. For in about that time, I'll have completed my annual Atlantic-to-Pacific jaunt under the auspices of Bayuk Cigars, Incorporated, getting selling pointers to pass on to cigar retailers through publication regularly in the advertising columns of this magazine.

Now don't get me wrong. The word "tired" only applies to my attitude toward hours of railroad travel, especially on sleepers, during the past months. Mentally, I'm so pepped up over the general situation I've found existing in the retail cigar business that I can't sleep for thinking about it. (Come to think of it, maybe *that's* the reason I've laid awake so many hours in sleeping cars, rather than because I've spent so many nights in 'em.)

And so far as being "triumphant" is concerned, there again I don't want you fellows to get the wrong impression. It isn't that I'm pinning medals on my own chest because I think I've burned up the tracks personally. Not by a long shot. (Though I'll admit it's warmed the cockles of my heart occasionally when some cigar retailer has told me those sales messages of mine have helped him.)

By "triumphant" I mean my feelings toward the way in which dealers all over the country are taking advantage of every legitimate means to get and hold business. They're not content simply to take what comes their way and be thankful for it. Instead, they get out and hustle. They give service. At least the wise ones do—and they, praise be, are in the great majority.

This isn't hooey I'm passing out. I mean it.

The other day I read somewhere a remark by somebody to the effect that unless a man contributes something of use to the world, he can't expect it to go out of its way to do much for him. If we don't "give service" nowadays, we're not likely to find very much manna dropping into our laps.

And that's what's encouraged me so much lately: the way so many of you cigar retailers are giving that extra ounce of service that means all the difference between doing just a fair business and doing a bang-up good one.

Keep up the good work, me boys, and the pot is yours!

CONGRESS NEW YORK BRANCH DISTRIBUTES "EL TORO" AND "BLACKSTONE"

The New York office of the Congress Cigar Company, 225 Fifth Avenue, is now distributing in addition to "La Palinas," the "Blackstone" and "El Toro" cigars in Manhattan, Bronx, Brooklyn and Westchester.

The Long Island territory will be handled for all three brands by David Roth, Brooklyn jobber, and similar arrangements have been made in the New Jersey territory with various local jobbers.

Salesmanager C. H. Parker of the New York office, announced that Max Berliner, formerly local salesmanager for Waitt & Bond, has been appointed assistant manager of the Congress Cigar Company, New York branch.

PRINCE OF WALES WINS "CORONAS"

AMONG the number of golfers, who, by "holing out in one" during July, were presented with a commemorative box of Corona "Coronas" was H. R. H. the Prince of Wales. His Royal Highness performed the feat at the sixth hole at the Royal Wimbledon Golf Club. The sixth hole measures 222 yards from the tee.

The Prince of Wales does not stand alone in receiving a box of "Corona" cigars "in recognition of your hole-in-one performance," as runs the wording on these commemorative boxes of cigars. The notion of recognising these wonderful performances in which skill and chance are happily blended by a gift of cigars really amounts to distributing samples and to encouraging cigar smoking. That the hole-in-one performance is not rare appears from the fact that the number of presentation boxes of "Coronas" (presented under the scheme started and maintained by *Golfing*—the golfing paper) is considerable. The paper announces in its columns that "any golfer who shall perform the feat of "holing out in one" at any hole of 150 yards in length or over while playing a round on any full-length course in Great Britain, shall be entitled to claim a special commemorative box of the famous "La Corona Coronas," provided that satisfactory evidence of the "hole-in-one" be sent to the editor of *Golfing* and attested by the player, his or her opponent, and the secretary of the club on a form provided." The golfing paper uses the slogan, "The ace of smokes for the ace of strokes." We learn that this year, up to the end of July, 481 claims have been successfully upheld. There were 72 in July, and one month they rose as high as 150. Two ladies have received the box of "Coronas" under the conditions. One wrote that she would not smoke the cigars herself, but that they were very welcome to hand to friends.—*Tobacco*, London.

JAMES McGUIGAN DIES

James D. McGuigan, son of Mr. and Mrs. Harry W. McGuigan, of Red Lion, passed away on September 8th, following an illness of several months.

Mr. McGuigan was only twenty years of age but had many friends in the cigar industry, he having become junior member of the cigar manufacturing firm of Smith & McGuigan, of Red Lion, Pa., a short time ago.

He was graduated from the Red Lion High School in 1929 and subsequently spent a year at Albright College, Reading, Pa.

Bright's Disease with complications was the direct cause of his death.

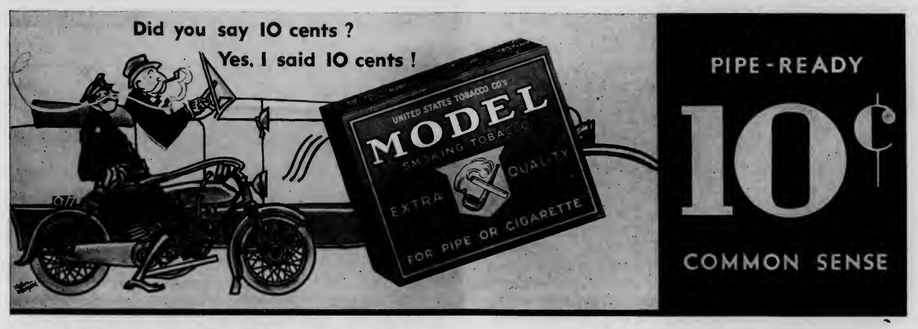
Funeral services were held on September 11th, with the Reverend G. C. Gabriel, pastor of St. Paul's Evangelical Church, of which Mr. McGuigan was a member, officiating.

He was a member of the Ri Tau Beta Fraternity and of the York County Chapter, Order of DeMolay.

He is survived by his parents and a brother, Paul, who is a student at Duke University, Durham, N. C.

CUBAN SELECTORS ACCEPT CUT

The wage dispute between tobacco workers of all classes and cigar and cigarette manufacturers in Cuba, which has threatened to reach the point of a general strike of all tobacco workers, was partially cleared last week through the acceptance by the selectors, through their union, of a 10 per cent. reduction in wage rates. Other branches of the workers had not accepted the cut, according to last reports.



LOUGHRAN COMPANY ABSORBS SAUNDERS COMPANY

ACCORDING to an announcement made last week, Daniel Loughran & Company, Baltimore distributor for G. H. P. Cigar Company, Waitt & Bond, Incorporated, Porto Rican-American Tobacco Company brands, and others, has absorbed the business of William G. Saunders Company, Incorporated, also distributors of various well known brands of cigars.

All brands formerly distributed by the Saunders Company will now be distributed by the Loughran Company from their headquarters 12-14 East Pratt Street. The Saunders Company was formerly located at 107 West Pratt Street.

NEW PLANT FOR AMERICAN COLORTYPE

The American Colortype Company which absorbed the Moehle Lithographic Company recently, announces that erection of a new plant for the company will be begun immediately at Alwood, N. J., the necessity for which arose from the enlarged business of the company. The preliminary work of the engineers and architects has been done and the approval of the company of the plans has been given.

The company operates plants in New York, Chicago, Newark, Red Oak, Ia., London, Toronto and Sydney.

ROGERS IN HOSPITAL

John J. Rogers, vice-president of Webster Eisenlohr, Incorporated, has been confined to Johns Hopkins Hospital in Baltimore for some time, where he has been undergoing treatment for an ailment which has been causing him some trouble for a long time. His many friends wish him a speedy recovery.

RIGGIO ESTATE TO WIDOW

Dr. Louis D. Riggio, brother of Vincent Riggio, vice-president of the American Tobacco Company, who passed away on August 27, left an estate valued at "more than $20,000," the bulk of which is bequeathed to his widow, according to the will, which was filed last week.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City .. .. Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. .... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

NEW "LUCKY" PACKAGE DISPLAYED

The new cellophane wrapped package of "Lucky Strike" cigarettes has now reached practically all points of the country and the unique "Lucky Tab" is arousing considerable favorable comment.

This tab enables the package to be opened without difficulty and at the same time insures complete protection of the package.

AMERICAN SUMATRA CORPORATION LOSS LESS

The American Sumatra Tobacco Corporation and subsidiaries report for the year ended July 31st a net loss of $170,481, as compared with net loss of $394,026 in the previous fiscal year.

TOBACCO INDUSTRY PREVENTS SLUMP IN NORTH CAROLINA

THE tobacco industry, known as the "depression-proof industry' kept North Carolina from feeling the depression to the extent that other States have experienced it during the past two years, S. Clay Williams, president of R. J. Reynolds Tobacco Company, declared in an address before the Lions Club at Winston-Salem.

Mr. Williams said approximately one-third of the population of North Carolina has a direct relationship with the tobacco industry and that 722,000 of the 1,500,000 acres of tobacco raised in the United States are grown in North Carolina. North Carolina manufactures two-thirds of the cigarettes sold in the United States and one-third of all the tobacco products. The state pays $256,000,000 or 57 per cent. of the tobacco taxes collected by the Federal Government which totals $450,000,000, he said.

In a discussion of taxes, Mr. Williams declared that 35 per cent. of the population of the State is in the section east of Raleigh and this district pays only 18 per cent. of all taxes collected for the general fund. The Piedmont section, or that part of the state west of Raleigh, comprises 65 per cent. of the population and contributed 82 per cent. of the taxes paid into the general fund, he declared. The eastern section of the state has only its fertile land and natural ability of its people while the Piedmont district possesses the land and natural ability of its inhabitants, but also has its industry which is mainly operated by capital from all over the world.

Declaring that the Reynolds Tobacco Company has a direct bearing on the community, Mr. Williams pointed out that the Reynolds Company pays one-tenth of all taxes collected for the state general fund.

NATION SMOKES 3,623,910,300 5-CENT CIGARS

A spectacular increase in the sale of five-cent cigars in the United States is indicated in the report of the Bureau of Internal Revenue of the United States Treasury Department on its collections for the fiscal year 1930-31. The total number of five-cent cigars smoked during the twelve months ending June 30, 1931, was 3,623,910,300.

Over the entire twelve months, five-centers represented 63.7 per cent. of all large cigars, the Government figures disclose. The previous year, the report shows, nickel cigars represented 56.9 per cent. of the total.

Authorities in the tobacco industry attribute the growing popularity of the five-cent smoke to the introduction of machine methods of manufacture, eliminating the possibility of spit-tipping and other unsanitary practices. The most elaborate precautions are taken by the manufacturer to insure absolute cleanliness. One brand of five-centers is the only cigar in the world finished under glass.

The increase in five-cent cigars shows no abatement yet. In July, the first month of the present fiscal year, they reached 73 per cent. of the total, according to Government figures.

BAYUK DIVIDEND DECLARED

The Board of Directors of Bayuk Cigars, Incorporated, have declared a quarterly dividend of seventy-five cents a share on the common stock of the company payable on October 15th to stockholders of record September 30th.

"CHESTERFIELD" GLORIFIES THE AMERICAN GIRL

MR. ZIEGFELD has no patent on glorifying the American girl—so the makers of "Chesterfield" cigarettes use four beautiful women, gorgeously costumed in colorful lounging pajamas as the makeup for their newest and biggest window display.

It is a window that holds the eye. On a background of brilliant magenta appears the famous "Chesterfield" challenge—"They Satisfy—Just try 'em." Against this background stand out the brilliant figures of these tastefully pajama-ed young women, who are taking evident delight in the "Chesterfield" newspaper ad—"My Sweetheart Smokes 'em—He Knows."

A beautiful picture of rare, tasteful color effects—it is a most unusual and out-of-the-ordinary cutout.

This cutout will appear in windows in every town and city in this country during the month of October.

"HAV-A-TAMPA" ENJOYING GOOD DEMAND

Max Newman, "Hav-a-Tampa" representative, was in town last week after a visit among jobbers and distributors in his territory and reports business good on his brands. He also reports jobbers and retailers in Northern Pennsylvania complaining bitterly over the fact that there is no profit in selling the popular brands of five-cent cigars and are putting their efforts behind higher-priced merchandise.

H. A. Mears, representative of the Hav-a-Tampa factory in the Middle West, paid Mr. Newman a visit last week via the Hav-a-Tampa airplane which is doing some good publicity work for their brand, and was highly pleased with the distribution and demand that "Hav-a-Tampa" is enjoying in this territory.

The Hav-a-Tampa factory was granted a patent early last month on the wooden mouthpiece which they originated and introduced on their brand several months ago, and which is now being offered on their jewel size, retailing at five cents.

"ROYALIST" IN NEW TERRITORY

Beginning this week, the "Royalist" cigar is being distributed in Baltimore and Washington territory by the well-known firm of William Deiches & Company, of Baltimore, Md. Louis Grabosky, president of Grabosky Brothers, Inc., manufacturers of the "Royalist" brand, was in Baltimore and Washington last week completing arrangements for the distribution of their brand in those territories, and the selling campaign was launched on Monday.

The "Royalist" brand is represented this season in the Cigar Manufacturers' Bowling League, which got off to a flying start two weeks ago. The "Royalist" team replaces the "Chancellor" team which withdrew from the league at the close of the last season.

STEPHANO BROTHERS ON THE AIR

Beginning on Tuesday, Stephano Brothers, Philadelphia manufacturers of "Smiles" cigarettes, and other brands, inaugurated a radio broadcasting program over Station WJZ.

"Smiles" cigarettes have been making good headway with smokers wherever introduced, and it is anticipated that the new radio program will further stimulate interest in this brand and a substantial increase in sales.

CIGAR PRODUCTION STILL DECLINING

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of August, 1931, and are issued by the Bureau. (Figures for August, 1931, are subject to revision until published in the annual report):

Products	*August, 1930*	*August, 1931*
Cigars (large):		
Class A.....No.	325,717,590	337,738,560
Class B.....No.	35,791,013	7,234,580
Class C.....No.	145,279,150	111,643,836
Class D.....No.	9,082,638	5,938,089
Class E.....No.	1,329,376	700,585
Total.....	517,199,767	463,255,644
Cigars (small).....No.	29,816,000	31,931,000
Cigarettes (large).....No.	637,350	394,400
Cigarettes (small).....No.	10,577,437,606	9,520,178,596
Snuff, manufactured...lbs.	3,251,614	2,806,910
Tobacco, manufact'd...lbs.	28,118,432	28,750,965

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of August:

Products	*August, 1930*	*August, 1931*
Cigars (large):		
Class A.....No.	12,438,045	12,266,450
Class B.....No.	223,300	84,500
Class C.....No.	972,080	233,150
Class D.....No.	2,500	1,000
Class E.....No.	500	.....
Total.....	13,636,425	12,585,100
Cigars (small).....No.	1,000,000	500,000
Cigarettes (large).....No.	300,000	225,000
Cigarettes (small).....No.	2,000,000	500,000

Tax-paid products from the Philippine Islands for the month of August:

Products	*August, 1930*	*August, 1931*
Cigars (large):		
Class A.....No.	15,063,535	11,677,120
Class B.....No.	146,080	93,430
Class C.....No.	123,366	27,478
Class D.....No.	500	560
Class E.....No.	7,700	.....
Total.....	15,341,181	11,798,588
Cigarettes (small).....No.	399,360	68,880
Tobacco, manufact'd...lbs.	335	108

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the August Statement of Internal Revenue Collections

Objects of Taxation	*First two months Fiscal year 1931*	*1932*
Tobacco manufactures:		
Cigars	$3,373,999.21	$2,802,076.66
Cigarettes	67,319,018.12	60,667,253.24
Snuff	1,115,532.48	1,118,597.26
Tobacco, chewing and smoking	10,107,467.49	10,082,492.79

Fresh AS VINE-PLUCKED GRAPES

© P. Lorillard Co., Inc.

Sure, O. Gs. are sealed in Cellophane. They bring you all the freshness of a newly made cigarette, without any loss of natural moisture or fragrance.

And when you smoke an OLD GOLD you smoke a PURE-TOBACCO cigarette. Free of greasy, breath-tainting, artificial flavors. Cellophane sealed, O. Gs. are fresh and fragrant whenever . . . wherever . . . you smoke them.

CELLOPHANE SEALED

Old Gold CIGARETTES

NOT A COUGH IN A CARLOAD

LA PALINA

AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED

The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.

Office, 1181 Broadway, New York City

FACTORIES: Tampa and Key West, Florida

U. S. TOBACCO CROP PROSPECTS INCREASE

ACCORDING to a statement issued by the Pennsylvania Federal-State Crop Reporting Service tobacco continues to do very well in Pennsylvania. In the binder district harvest is well along and the crop is good and of fine quality. Harvest has started in the filler districts. Some rust, flee beetles and wildfire are reported, but quality in general is good. It is reported that many big buyers are looking at the crop.

Tobacco prospects in the United States increased 2 per cent. during August and the crop is now forecast at 1,648,000,000 pounds, which would be slightly above last year's record crop and substantially above the average produced during the previous five years. With the exception of no change in the wrapper class, cigar tobacco production prospects improved slightly during the month.

State	—Production— Sept. 1, 1931 forecast 1000 lbs.	Harvested 1930 1000 lbs.
Massachusetts	9,712	11,695
Connecticut	28,123	32,105
New York	1,040	760
Pennsylvania	57,772	39,372
Ohio	51,336	53,214
Indiana	18,476	11,382
Wisconsin	45,340	52,900
Minnesota	2,160	2,875
Missouri	5,670	5,221
Maryland	34,000	19,040
Virginia	117,815	111,776
West Virginia	6,083	5,040
North Carolina	502,265	584,000
South Carolina	76,300	96,250
Georgia	59,553	104,610
Florida	7,950	11,188
Kentucky	495,598	372,151
Tennessee	128,280	127,160
Alabama	405	560
Louisiana	122	138
United States	1,648,000	1,641,437

The acreage of tobacco in Europe is somewhat larger this year than last. The acreage of dark types, which compete to some extent with the dark fire-cured and dark air-cured types from the United States, is slightly larger than in 1930 in European countries other than Russia and almost twice as large in Russia.

Stocks of leaf tobacco held in the United States by dealers and manufacturers on July 1, 1931 amounted to 1,914,719,000 pounds, compared with 1,725,653,000 pounds a year ago, according to the quarterly report of the Tobacco Section, Bureau of Agricultural Economics, United States Department of Agriculture. Total stocks show a decrease of 236,059,000 pounds during the second quarter of 1931, compared with a decrease of 239,593,000 pounds during the second quarter of 1930.

Stocks of American-grown cigar filler type tobaccos, including Porto Rican, amounted to 167,936,000 pounds on July 1, 1931, a little over nine million pounds higher than a year ago. Stocks of Pennsylvania filler were about seven million pounds lower. The increase is in the filler types of Ohio, Georgia and Florida. Sun-grown stocks were slightly lower and Porto Rican stocks about the same.

Cigar binder types also show an increase in stocks of about twenty-three and a half million pounds over the stocks of a year ago. All of the binder types show some increase, the greatest being in Southern Wisconsin. Of the total binder type stocks reported, the detailed report shows that only a little over eighty-three million pounds are actually of binder tobacco quality. More than eighty-five million pounds are reported as stemming or lower grade tobacco.

Shade-grown cigar wrapper stocks of Connecticut, Georgia and Florida show little change from a year ago and are about one million pounds lower than on April 1, 1931.

Leaf Tobacco Stocks, July 1, 1931 (in thousands of pounds).

Type Name.	U. S. Type No.	Total of Types July 1 1931.	July 1 1930.
Penna. Seedleaf	41	83,011	90,292
Gebhardt (Ohio-Miami Val.)	42	21,418	14,589
Zimmer (Ohio-Miami Val.)	43	27,601	20,300
Dutch (Ohio-Miami Val.)	44	9,436	7,393
Ga. & Fla. sun-grown	45	1,530	1,340
Porto Rican sun-grown	46	24,940	24,734
Total cigar filler types		167,936	158,648
Conn. Valley Broadleaf	51	33,377	28,960
Conn. Valley Havana Seed	52	38,265	35,732
N. Y. & Pa. Havana Seed	53	3,644	2,533
Southern Wisconsin	54	66,475	57,770
Northern Wisconsin	55	46,080	39,253
Total cigar binder types		187,841	164,248
Conn. Valley Shade	61	10,255	10,207
Ga. & Fla. Shade	62	4,110	3,968
Total shade-grown		14,365	14,175
Total flue-cured	11-14	676,752	599,262
Total fire-cured	21-24	192,999	184,771
Total light-air-cured	31-32	511,798	448,212
Total dark-air-cured	35-37	71,304	63,751
Other types	70-90	91,724	92,586
U. S. total all types		1,914,719	1,725,653

News from Congress

(Continued from Page 8)

half of 1931, while new obligations were assumed in the same proportion to cash sales as formerly, according to the semi-annual retail credit survey just completed by the Department of Commerce.

The report revealed that the changes in the proportions of total sales on cash, open credit (regular charge account) and installment (deferred payment) basis during the period studied were very small. Cash sales increased from 43.4 per cent. of total sales to 45 per cent.; open credit sales decreased from 45.9 per cent. to 44.9 per cent., and installment sales decreased from 10.7 per cent. to 10 per cent.

Returns and allowances, including repossession on installment sales, for 348 stores in twenty-five cities which were surveyed, were 10.4 per cent. of gross sales for the first six months of 1930 and 10.2 per cent. for the same period in 1931. The average bad debt loss on open credit accounts on all stores reporting was 0.8 per cent. for the first half of this year compared with 0.6 per cent. for the corresponding period in 1930. For installment accounts, the loss was 1.9 per cent. compared with 1.5 per cent. a year ago.

Editorial Comment

(Continued from Page 3

country definitely demand the brand thus wrapped. He neglected to tell him how much better the cigar was since the transparent wrapper had been added. He failed to point out that it protected the cigar from breakage, and thus saved the smoker probably fifty cents or a dollar in the course of a year, which would enable him to buy that much more moonshine or gin.

Oh, no! He simply went to the extent of two pages to tell him about the "demand" for his brands in the transparent covering.

Well, so let it be. But what we still seek to find out is, "How many more cigars have been sold since this non-porous wrapper was introduced? How much more than the natural decline has the cigar industry suffered since this expensive and useless wrapper was adopted?"

We are looking at the progress of the cigar industry as a whole, not at the increased sales of any individual concern. Obviously when the withdrawals are going back at an alarming rate, the increased sales of any one manufacturer have been at the expense of his competitors. And we see nothing to enthuse about in such a condition of the industry, except of course to pay tribute to smart advertising plus excellent merchandising.

The cigar manufacturers seem to be of various minds. The general sales manager of a nationally-advertised brand thinks that the transparent wrapper is a gift of the gods, despite the fact that the gods have shown some reticence in supporting his sales quota.

Another cigar manufacturer admits that this non-porous covering does not benefit the cigar at all, but he fears to take any step to get rid of it because he thinks that if he returns to the natural wrapper he will lose his business.

A host of manufacturers admit that they have reluctantly adopted the lucid covering because their jobbers and retailers refused to handle their brands without it.

Several manufacturers refuse to express an opinion and dismiss a direct question by stating that it costs them practically nothing, and that their sales are either holding their own, or increasing.

Well, we have presented some figures for consideration. They may mean something, or they may mean nothing. We know, and the cigar manufacturer knows, that in the very first place the non-porous wrapper costs money. He may figure some short cuts that make it look as if he broke even. But from all information that we can gather his inventory of manufactured cigars must be at all times greater than for the same amount of sales when cigars were sold in their natural wrappers. Inventory represents a money investment and we have been led to believe that the larger the inventory the more it costs to do business.

We are prepared to wait for some time, but we confidently anticipate some smart manufacturer coming out with advertising something like this:

"To the Nation's Cigar Smokers. Back to Nature Again. Your Favorite Brand, Packed In Its Natural Wrapper, in a Good Wooden Cigar Box With the Old-Fashioned Spanish Cedar Aroma. Go to Your Nearest Dealer and Have Him Open a Fresh Box For You. Get a Whiff of That Old Tobacco Fragrance—Then You'll Know Why Our Cigars Give You the Utmost in Enjoyment."

TAMPA EXPECTS GOOD SEASON

BUSINESS prospects for Tampa cigar manufacturers have brightened up considerably in recent weeks and there is a feeling among manufacturers there that orders for holiday shipment this year will fully equal those of last season.

Holiday orders have begun to arrive in Tampa already and all factories there are preparing to take on additional workers for the next three months' period in order to cope with the increased demand.

The number of cigars manufactured in Tampa during 1931 has not shown any great decrease as compared with the previous year, but the number of low-priced brands have increased to some extent.

PORTO RICAN CIGARS AT LEGION CONVENTION

According to a bulletin issued by the Porto Rican Bureau of Commerce and Industry, with headquarters in New York City, Porto Rico led the American Legion parade in Detroit recently, an honor which belonged to the state or territory showing the largest membership growth during the year.

Porto Rico had the additional distinction of being represented by Governor Theodore Roosevelt, one of the original founders of the Legion.

Incidentally the legionnaires from Porto Rico wore Porto Rican linen suits and Porto Rican "Panama" straw hats, and Porto Rican grapefruit and cigars were served at the special governor's luncheon to over six hundred fifty persons.

Hurricane Does Little Damage

The hurricane that struck the northeast end of Porto Rico on the tenth of September did comparatively little damage. While many trees and plants were blown down, and here and there show windows and doors were smashed, the commercial damage was generally limited to from 20 to 40 per cent. of the January grapefruit crop, and to cocoanut groves, almost especially susceptible to wind storms. Some priceless stained glass windows at the governor's palace, historical relics of centuries past, were destroyed. Human life was generally spared and the two deaths reported were only indirectly caused by the hurricane. The courage and fortitude of the people was excellently exemplified in their conduct during the night of the storm. The insular police performed splendid duty and the electric light company trucks were out in the darkened streets within fifteen minutes after the storm abated. By next evening telephone service was 50 per cent. re-established, lights were almost back to normal, and the streets and highways were virtually cleared of all debris.

PENNSYLVANIA CROP BEST IN YEARS

In support of the claim of tobacco growers in Pennsylvania that this year's crop is the best grown in that state in fourteen years, L. Ruppin, of Akron, former cigar manufacturer, who is growing several acres of tobacco this year, has produced leaf which substantiates the claim.

He reports finding several plants among his crop that contain a total of twenty leaves on a single stalk, with some of the top leaves measuring over twenty-four inches in length. With the exception of the three lower leaves, which were filler grade, Mr. Ruppin counted seventeen wrapper leaves on several stalks.

The big leaves are the result of early and high topping, followed by frequent rains.

KENNEDY ANALYZES CIGAR SMOKERS

John B. Kennedy, well-known editorial writer, delivered the following address as the guest speaker of a recent radio broadcast of the Bayuk Stag Party, which is being presented each Sunday evening over Station WJZ:

THANK YOU, Kelvin Keech. Once, before Napoleon Bonaparte had reached the apex of his power, when he was a striving general who wore laurels by preference and wounds by proxy, somebody invited him to smoke. Bonaparte, always careless in his personal habits, agreeably eating the first thing on the table, whether bon-bons or roast meat, was careless then. He stuck the stem of a hook-eye in his mouth, puffed a few times, coughed a few times, tossed the pipe away, and is reported to have said "what a vile diversion!"

About the same time an English soldier campaigning in Spain was probably sitting down to a military mess with his staff, looking forward to the end of the meal when it was his custom to distribute the best of rich, ripe cigars. He was the Duke of Wellington.

In due course of time, the Corsican who thought smoking was vile gave battle to the Englishman who approved of it. The outcome is written in history by a single word, "Waterloo." Not that we are to conclude that smoking made Wellington a superior strategist to Napoleon. Welling was less brilliant, but he was more deliberate, and more self-possessed in emergencies.

By one of those tricks of fate which seem to prove that the long arm of coincidence is really no longer than an index finger, the next most famous Marshal of France, one who was even more conclusively and completely victorious than Napoleon, was not only a smoker but an ardent one—Ferdinand Foch. It was his habit, when relaxed, practically to light one cigar with the end of another.

But it wouldn't be fair even if it could be funny to draw a parallel list of names of great men of modern times to distinguish between smokers and non-smokers. Range leading literary lights for the test leaving out so famous and fanatic a smoker as the late Mark Twain, and we who are smokers may name Rudyard Kipling, the jovial G. K. Chesterton, who smokes cigars like a volcano and otherwise physically resembles one, H. G. Wells, and the serenely genial James M. Barrie, who wrote that charming book "My Lady Nicotine" as a votive offering to tobacco. These are but a few.

Of non-smokers, the only great male name in modern literature that occurs to me is that of George Bernard Shaw. And perhaps his abstinence explains his irascibility, discernible in his work and in his ways. This is no argument that tobacco is on the side of the angels, or that the angels are on the side of tobacco. As a journeyman journalist, I have met bishops who enjoyed a good cigar, and burglars who had similar tastes. The difference was that the bishops usually paid for theirs. But call a roll of your intimate male acquaintances and mine, and we shall find apart from the few exceptions, the rule is that the more colorful and companionable characters we know are smokers. The exceptions may merit praise in many things, but in eschewing the delights of smoking, they deserve our pity.

One of the first journalistic jobs I had in New York was under the friendly hand of one who is generally considered America's foremost expert on tobacco—Mr. Carl Avery Werner, editor of "The Tobacco Leaf." Mr. Werner assigned me the pleasant job of visiting and writing about cigar factories. In those days, as today, cigar factories were romantic and fascinating, although the older ones were perhaps long on atmosphere and short on hygiene. It was beguiling to move through the rich seductive smell of ripe tobacco, and to see the workmen rolling filler and binder of pure Havana and placing both in silken leaf wrapper from far away Sumatra.

There was an aroma of romance about those places, although modern factories like the Bayuk, which someone has well termed a gigantic humidor because it makes its climate to order for the best condition of tobacco, modern factories sensibly sacrifice romance to sanitation. There were formal fears in those days when prohibition stormed the legislative halls that smoking might meet the legal ban that befell drinking, although drinking yet doesn't seem aware of it. It's fantastic, but if so-called reform ever abolished smoking, the social order would be disrupted; for smokers would certainly smoke, and it would be much more difficult to conceal a smoke-easy than it is to conceal a speak-easy—if any speak-easies are concealed. I believe the embattled smokers of the nation would arise in their wrath to assert their rights. For smoking in moderation, measured to health and maturity, is a solace—a promoter of good temper which, in its turn, promotes good-will.

One of the precious and poignant memories of every adult man is his first experiment with cigars before he became an adult. My own came from a local politician—a patriotic soul—the cigars he distributed invariably went up in pictures of Washington or Lincoln. But civilization can safely be trusted to smokers. For nations which avoid smoking such as the Hindus, may not be barbarous, but they are dangerously near to being bored. The perfect picture of a civilized man seems to me to be one who can sit with his family of an evening and enjoy in peace a good cigar. Most wise women know this, although most women are not so wise when they try to pick cigars for their husbands instead of leaving the husband to attend to that sacred function himself. While other personal habits of diversion may damage or disturb, a good smoke—especially a good cigar—is always a good sedative. Kipling once wrote a famous line that "A woman is only a woman, but a good cigar is a smoke."

What Kipling meant to imply was that for the generality of men there seems to be two indispensibles—women and tobacco; that a woman may be whimsical even when good; but that a good cigar never varies in quality or function. Mr. Kipling has been wrong in many things, but he's right in that.

With your kind indulgence, I humbly salute all, smokers and non-smokers; the first with enthusiasm, the others with something akin to sympathy, by lighting the Bayuk Cigar which a thoughtful host has just —with no difficulty at all—presented to me.

YORK COUNTY BANQUET DATE SET

AT a recent meeting of the York County Cigar Manufacturers' Association, the date of the annual banquet of the association was set as December 10th. This annual function, the eleventh of the association, is one of the notable events of the year in the trade and is always looked forward to with a great deal of pleasant anticipation.

The place in which the banquet will be held has not as yet been decided as formerly the rooms used have been taxed to capacity, and it may be necessary to seek larger quarters for the affair this year.

Bruce Nebinger, of J. C. Winter & Company, is head of the Social Committee, and he promises a most enjoyable time for those who attend.

GENERAL'S STEELTON PLANT ON FULL TIME

ACCORDING to a statement by G. Otto, manager of the Steelton factory of the General Cigar Company, the entire plant, employing more than six hundred persons, went on full time more than three weeks ago, and additional operators will be engaged in the production of a new shape cigar.

Remodeling of the hand manufacturing department has just been completed, and for the past two months the machine division of the Steelton plant has been operating full blast. Production demands will determine the number of additional employees.

Orders now on hand at the Steelton plant will warrant full-time operation until January 1st, and additional orders at that time, it is anticipated will warrant continued operation.

While this factory makes several brands, its largest production activity is confined to cigars shipped to the middle west and Pacific coast, and not yet introduced to the smokers of the Atlantic seaboard.

The General Cigar Company is one of the large industries in the Harrisburg community, and has been for twenty-three years. Workers are drawn from the entire Harrisburg metropolitan district, he said.

The plant has been thoroughly remodeled during the past few years, and a new carrier system installed, which expels all tobacco fumes, making it possible for employees to work in a modern factory with fresh air at all times.

A trained nurse is in constant service, and is equipped to give first aid to any employees who might be ill. She is also in charge of contact between dispensary and employees and other health activities.

Approximately seventy-five of the cigar company's employees are at all times pursuing courses of study in night schools. Mr. Otto pointed out that the executives of the company urge employees to train themselves for higher positions in the plant.

It has been the custom of the company to make promotions directly from the ranks, and, on this basis, employees have found it profitable to secure the maximum amount of education available to them, he said.

STRIKE THREATENED IN SCRANTON

Last week it was reported that several cigarmakers had quit work at the plant of the Continental Cigar Company in Scranton, Pa., giving as their reason that their wages had been reduced.

A committee representing the workers stated that the men had been brought there from New York.

Mr. Starr, president of the Continental Cigar Company, stated that the rate had been reduced on only one cigar, and that had been reduced in order to meet New York competition. He also stated that no general wage reduction had been made, nor was one contemplated.

MOSS SECRETARY-TREASURER CONGRESS COMPANY

Charles D. Moss, who has been secretary and assistant treasurer of the Congress Cigar Company for the past several years, has recently been elected to the position of secretary and treasurer of the company.

Yahn & McDonnell have just received a shipment of the individual cigarette making machines which are coming into popularity, and which are receiving the attention of cigarette smokers everywhere because of their economic feature, which is particularly appealing at this time.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

POSITION WANTED

ALL-AROUND CIGAR MAN—CASER, DRIER AND PACKER desires position. Twenty years' experience. Age 45. Salary reasonable. Address Box 556, "The Tobacco World."

CIGAR FOREMAN HAVING THIRTEEN YEARS' EXPERIENCE on Automatic Machines wants position. Also instructs beginners. Address Box No. 558, "The Tobacco World."

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

REICHARD-PARIS SUIT DISMISSED

AFTER more than seven years of litigation between Benjamin Paris and John F. Reichard, York, Pa., cigar manufacturer, in which Paris claimed damages from Reichard on the grounds of a broken agreement, a final decision was rendered in the case on September 14th dismissing the bill of complaint.

The bill was filed by Paris on June 23, 1924, setting forth the details of a business dispute between him and Reichard as regards the manufacture of cigars under a verbal agreement, and, later, under a written agreement, alleging the defendant had profited by the use of certain trade-marks, labels, cartons and other articles that had to do with the advertising and sale of certain brands of cigars. Paris sought an accounting of the profits made by Reichard under the alleged agreement.

The case came before the court several times, and, on August 18, 1930, the court entered a decree, made final on January 9, 1931, in which Reichard was directed to file an accounting.

The accounting was filed on February 18, 1931, and it was shown that the defendant was not indebted to the plaintiff in any sum of money.

No exceptions were ever entered by the plaintiff, although time for so doing had passed. Consequently, a short time ago former Judge W. F. Stewart filed a motion for dismissal of the bill. A rule was granted, no answer was filed, and the court made its final decree September 14th, in which the plaintiff's bill is dismissed at the cost of the plaintiff.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

LAVORIS:—45,935. For cigars, cigarettes and tobacco. August 15, 1931. Dave Frohlichstein, Hollywood, Cal.

GOLDEN GOOSE:—45,936. For cigars, cigarettes and tobacco. July 30, 1931. Penn Cigar Company of Pittsburgh, Pittsburgh, Pa.

TWIN TOWERS:—45,937. For all tobacco products. September 3, 1931. D. Emil Klein Co., Inc., New York, N. Y.

ROLL 'EM:—45,938. For plug, twist, smoking, scrap, fine cut, snuff and cigarettes. September 4, 1931. Scotten Dillon Company, Detroit, Mich.

EL GERT:—45,939. For cigars. September 3, 1931. Kilmer Cigar Company, New York, N. Y.

A. SIEGEL & SONS' 1883:—45,940. For cigars. September 12, 1931. A. Siegel & Sons, Inc., New York, N. Y.

ROBCO:—45,941. For cigars. September 14, 1931. W. H. Robison, Littlestown, Pa.

DU NAAR:—45,942. For cigars. September 12, 1931. George Schlegel, Inc., New York, N. Y.

HUGUENOT:—45,943. For cigars, cigarettes and tobacco. August 19, 1931. J. J. Roach, New Rochelle, N. Y.

TRANSFERS

BOTOLPH:—45,934 (T. M. A.). For cigars, cigarettes and tobacco. Registered August 11, 1931, by Charles B. Perkins Company, Boston, Mass., and re-transferred to William A. Otis, Boston, Mass., September 11, 1931.

CIGARETTE DEALERS ARRESTED IN UTAH

L. A. CHARLES, state cigarette stamp inspector, and Detective W. K. Milligan, of the police department of Ogden, Utah, have arrested three retailers in that city on the charge of selling and having on hand a quantity of cigarettes without the necessary state revenue stamps attached.

Another retailer has been arrested on the charge of selling cigarettes without a license.

Attorney W. R. Jones appeared for one of the men charged with selling the cigarettes without the necessary state tax stamps affixed and pleaded guilty to the charge, but Judge Simon Barlow deferred sentence until such time as the defendant may appear in person.

NEW CIGARETTE MACHINE MANUFACTURED

The Miami Cigarette Machine Company, of 411 East Fifth Street, Dayton, Ohio, has begun to manufacture individual cigarette rolling machines at its factory in Middletown, Ohio. The company has just recently incorporated. The firm will place its product on the market throughout the United States. The George B. Scrambling Company, Dayton jobbers, the Hamilton-Harris Company, Indianapolis, and the Kielson Cigar Company, Cincinnati, have taken agencies for the product in their territories. Members of the Miami Cigarette Machine Company are O. H. Lang, J. H. Kidd, H. H. Hollencamp, H. G. Egbert and W. J. Lewis.

A. T. EARNINGS MAY GO STILL HIGHER

ACCORDING to close observers in financial circles, earnings of the American Tobacco Company for the year 1931 may exceed the record established in 1930, when $8.56 was earned on the common stock. The company is deriving record earnings from record sales of its "Lucky Strike" cigarettes, its leading brand, and is also gaining from the recent advertising campaign on "Bull Durham" smoking tobacco. Sales of this product have increased sharply in recent weeks and are reported to have run from 22,000 pounds daily to 52,000 pounds.

The company is also reported to have improved its competitive position in Great Britain, where its subsidiary, J. Wix & Sons, Limited, has forced sales of its "Kensitas" cigarettes to third place in the English business. Other leading products of the company are also reported to have shown improvement.

PHILIPPINE MARKET QUIET

The Philippine tobacco market continued quiet during August, dealers and factories were awaiting price developments of the 1931 crop. General buying of the Cagayan and Isabela crops started towards the end of the month. Cagayan (farmers) accepted the prices offered but Isabela farmers were reluctant to dispose of their holdings despite higher quotations. In view of the prevailing dullness, local and export market buyers would not risk increasing their bids. August exports of leaf, strips and scraps totaled 1,061,000 kilos, of which Spain took 960,000 kilos; the United States, 85,000 kilos; China, 7000 kilos; Hong Kong, 5000 kilos; and Straits Settlements, 1000 kilos. The cigar business suffered extensively owing to prolonged rains and interrupted communication. Cigar exports to China, Malaya and India were unsatisfactory but shipments to the United States were better in quantity than for a corresponding period of last year, amounting to approximately 16,780,000 cigars.

EMPLOYMENT DECLINED IN JULY

Employment and payrolls in the tobacco industry declined in July compared with June according to figures in the hands of the Bureau of Labor Statistics, Department of Labor.

Reports were received by the bureau from 182 cigar and cigarette factories who gave their June employment at 48,305 decreasing in July to 48,095 a decrease of 0.4 per cent. The weekly payrolls in these plants also decreased from $716,753 in June to $704,295 in July a decrease of 1.7 per cent.

The bureau also received reports from twenty-seven chewing and smoking tobacco and snuff plants who gave their June employment at 8270 decreasing in July to 8160 a decrease of 1.3 per cent. The weekly payrolls in these plants also decreased from $129,057 in June to $128,430, a decrease of 0.5 per cent.

SOUTH DAKOTA TAX APPLIES ONLY TO CONSUMER

The Attorney General's Office of the State of South Dakota has advised the Secretary of Agriculture that the South Dakota stamp tax on cigarettes is payable only in the case of sales made to consumers.

Traveling salesmen attending the State fair frequently carry a supply of cigarettes which are sold to retail stands and other concessions, the opinion explained, but such sales are not taxable, it was held.

OCTOBER 15, 1931

VOLUME 51 No. 20

THE TOBACCO WORLD

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ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf cased with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY
139 North Third Street, Philadelphia, Pa.

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by **A. SANTAELLA & CO.**
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

After all nothing satisfies like a good cigar

SALES POSSIBILITIES

You select your territories according to their
Sales Possibilities

You choose your salesmen according to their
Sales Possibilities

You should pack your cigars to get the utmost in
Sales Possibilities

Let the customer see the sales points of your brands (size, shape and color) at a glance—by packing your cigars in Wooden Boxes.

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51 — Number 20

THE TOBACCO WORLD

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
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$2.00 a Year — PHILADELPHIA, OCTOBER 15, 1931 — Foreign $3.50

TORO RESIGNS FROM P. R.-AMERICAN

LOUIS TORO, founder of the Porto Rican-American Tobacco Company and its president for more than thirty years, tendered his resignation as president of that company effective October 1st, and also retired from active participation in its affiliated enterprises.

Mr. Toro was instrumental in the acquisition, about five years ago, of the Congress Cigar Company, and later of Waitt & Bond, Incorporated, both of which became affiliates of the Porto Rican-American Company.

William E. Waterman has become chairman of the board of Porto Rican-American, and James M. Porter president. Mr. Porter also becomes president of Waitt & Bond, Incorporated, succeeding Mr. Waterman who formerly occupied that post, and also continues as president of the Congress Cigar Company, to which office he was elected a few months ago. Mr. Waterman is chairman of the board of the Congress Cigar Company.

Mr. Toro has been an outstanding figure in the cigar industry for a number of years and his retirement is sincerely regretted by his many friends.

Messrs. Waterman and Porter, have been associated with Waitt & Bond for many years and have demonstrated exceptional ability in building up the business of that company to the fine position it holds today.

PORTO RICAN CONDITIONS UNCHANGED

Conditions among tobacco growers and packers in Porto Rico still remain unchanged and with no immediate prospect of a solution to their troubles.

The Co-operatives continue to hold their tobacco with no indications of an early sale, and efforts to prevent the preparation of new seedbeds seem to have been in a large measure successful, and it is estimated that the new crop will not total more than 5,000,000 pounds.

Acting Governor Padin on Tuesday ordered the concentration of one hundred additional police, armed with riot guns, in the tobacco districts as a result of the destruction on Monday night of two tobacco seed-beds at Cayey and Cidra by armed masked men.

Groups of about thirty men appeared simultaneously in the two places affected and fired on watchmen of the Porto Rican Leaf Tobacco Company. One watchman was wounded.

Governor Padin said he would call out the militia if they were needed to protect tobacco raisers who want to plant seed.

SUMATRA GROWERS ABANDON FORCED LABOR

ACCORDING to advices received by importers of Sumatra tobacco in this country, from Amsterdam, the Dutch tobacco growers on the islands of Sumatra and Java have come to an agreement whereby they will discontinue the use of indentured labor in the production of their 1932 crop, which is taken to mean that the importation of Sumatra and Java tobacco will not be prohibited in this country.

Although indentured labor has been used in the production of the 1931 crop it is not expected that the Government will exclude this one crop from this country, inasmuch as the growers will employ only free labor on next year's crop, thus complying with the provisions of section 307 of the new tariff law.

Renewed investigations on the conditions in the cigar and leaf tobacco industries have been under way recently and a meeting of Government officials had been scheduled for last Thursday to discuss latest developments in the situation. The meeting, however, was cancelled following receipt of a cable from Amsterdam from the American Consul-General.

The decision of the Treasury Department as to whether or not Sumatra and Java tobacco is to be excluded from this country after January 1, 1932, is being anxiously awaited by the industry.

Lengthy hearings have been held in Washington on this important question with cigar manufacturers mantaining that their business would be ruined if Sumatra and Java wrappers were excluded, while the Shade Wrapper growers maintain that they could and would raise sufficient quantity of wrapper tobacco to take care of the needs of the industry.

STONE-ORDEAN-WELLS QUITS IN MINNEAPOLIS

Advices from Minneapolis state that the long-established firm of Stone-Ordean-Wells Company, which has been distributing cigars and tobacco products in that city for twenty-five years has discontinued business in that city, although the headquarters in Duluth will still be maintained.

However, no business will be solicited by this firm in Minneapolis in the future, where they formerly distributed "Blackstone," "La Fendrich" and "Charles Denby," "John Ruskin," "Garcia Grande" and "Perfecto Garcia."

It is reported that the McKesson-Minneapolis Drug Company will distribute "Blackstone" in Minneapolis in the future, but no announcement has been made as to the other brands.

DEPRESSIONS, PAST AND PRESENT

A BULLETIN recently issued to members of the American Wholesale Grocers Association, by President J. H. McLaurin, under the title, "It Always Has," brings out several points for optimism, and the bulletin has been reproduced in many publications.

Feeling that the encouragement contained in the message will be of benefit to many we are also reproducing it in part:

"We have but to turn the pages of this nation's business life, during the past 100 years, to discover that our fathers and our grandfathers passed through just exactly what we are passing through today and yet they lived to see this nation live on and prosper as had no other nation on earth. It would probably be a source of inspiration and encouragement to many of us to read back and familiarize ourselves with the business panics of 1837, 1857, 1873 and 1893, and again even as late as 1907, a depression less severe but none the less real.

"In 1837 ninety per cent. of all the factories in the East suspended operation. Factories and trades generally stopped work. States repudiated their bonds and it became necessary, in many states, to enact laws to prevent the sale of property for debts. Many of the greatest firms of that day failed, the number running into tens of thousands with total liabilities running into hundreds of millions of dollars. Cotton prices were very low and the price paid for labor was insufficient to buy bread, while the unemployment situation was acute to the point of provoking riots. This 'depression' came to an end. It Always Has!

"Following came 1857 with its depression, bringing failures among great financial institutions and railroads, with industry suspended and labor in distress, a year when mobs marched through the streets of New York City with cries of 'Bread or Death!' In 1860 a quick recovery followed. It Always Has!

"Thirteen years afterward the panic of 1873 came upon the country in full force and down went some of the largest financial institutions of that day, among them H. B. Claflin & Co., a name famous in wholesale annals of that day. Within two years the railroads of the country had defaulted in the sum approaching one billion dollars. Marketing the cotton crop was impossible and foreign shipping paralyzed, with the result of a depressed local market, carrying with it prices far below manufacturing costs.

Another Depression Vanished

"A casual reading of trade journals and statistics of the years between 1873 and 1875 make present day conditions assume a roseate hue. Those conditions, which while they endured, cast a blight upon commerce and industry of this country, were succeeded from 1879 by years of prosperity and business development beyond the dreams of the most optimistic of that day. The clouds lifted and the sun shone forth upon happier days and a joyful and prosperous people. Prosperity followed depression. It Always Has!

"Then came 1893, ushering in two years of disaster for the industry, commerce and finance of the nation. One authority on the subject of the business collapse of that year places the total liabilities at 50 per cent. greater than in 1873. Again the value of railway stocks melted away and the problem of unemployment reached the danger point. In two years recovery started, prices soared and this nation became again a happy and prosperous people. The clouds burst and the rain falls but in due time it stops. It Always Has! Prosperity follows depression. It Always Has!"

REVIEW OF INDIANA CHAIN STORE TAX REFUSED

WHEN the Supreme Court of the United States went to work on Monday after convening for its second session of the new term, it had disposed of more than a score of cases within an hour, deciding whether it would consider them or disposing of them finally.

Among the cases disposed of was the Indiana Chain Store Tax, which was approved during the last term by a vote of five to four. The Court refused to review its five-to-four decision.

SILVER ROD DONATES TO CHARITY

The Silver Rod Stores, Incorporated, New York City chain store system, has donated 2 per cent. of their gross sales of October 10th to the *New York American* Christmas and Relief Funds.

The Silver Rod Company operates a chain of fifty-two stores in the metropolitan district, and their annual sales total more than $5,000,000.

The stores contain a drug, soda and cigar department, and it has been stated that 60 per cent. of their sales is contributed by their cigar and tobacco business.

In reference to their donation, Simon Rodmon, president of the company stated: "We are pleased to announce that our board of directors have consented to contribute 2 per cent. of the total receipts of Saturday, October 10th, to the Christmas and Relief Fund, which is doing such noble work in relieving the distress in the community.

"Our personal observation of the manner in which food was distributed in the sandwich wagons at Times Square and Fifty-ninth Street to relieve the distress and hunger has confirmed us in the belief that you are the outstanding agency for relieving such distress and should be encouraged and helped by every person and organization in the community."

"BLUE BOAR" XMAS PACKING

The American Tobacco Company has prepared a special deal on their "Blue Boar" smoking tobacco for the Christmas season, which it is believed by officials of the company will prove quite as popular as the offer which was made last year.

This year's offering consists of a one pound can of "Blue Boar" tobacco, valued at $2.25 in combination with a handsome Bostonian individual humidor valued at $7, the combination retailing at $5.

The offering is ready for shipment and a huge volume of sales may be expected on this exceptional bargain on this high grade smoking tobacco.

TAMPA PRODUCTION HOLDING UP WELL

Production of cigars in Tampa for the month of September totaled 35,795,209 cigars which is only approximately 361,000 less cigars than were manufactured there in the same month of last year, and manufacturers there feel that this is a highly satisfactory figure in view of present conditions.

The production by classes was as follows: Class A—16,494,000; Class B—619,900; Class C—13,911,000; Class D—4,718,500, and Class E—50,666.

Now—if after reading the above you still think the good old U. S. A. is never going to come out of the present depression, you had better make an early appointment for an examination by some good Alienist.

Have you tried Camels?

THE steady increase in the sales of Camel cigarettes proves one fact beyond a doubt.

If you try Camels, the odds are very much against your ever going back to your old brand.

So great is the contrast between the delights of perfectly conditioned Camels fresh from the protection of the new Humidor Pack and the harsh, hot smoke from stale dried-out cigarettes, that your decision will be immediate.

The quality is there in the first place, for Camels are a blend of choice Turkish and mild Domestic tobaccos.

In factory-prime condition, with their rare flavor and their natural moisture still intact, they are a joy to the smoker.

Now this flavor is air-sealed-in by an outer wrapping of moisture-proof Cellophane, so that no matter where you buy Camels, in any land, in any climate, you are always certain to get fresh cigarettes in factory-prime condition.

And there are other advantages as well. For the Humidor Pack also protects the cigarettes within from dust and germs and weather conditions.

Start the day on Camels. See how much milder they are, how much more flavorful they are, how cool they are to the throat.

No peppery dust to irritate delicate membrane. No harsh, hot smoke from dried-out tobacco to burn the tongue or sear the throat.

Switch to Camels for a day, then leave them — if you can.

Tune in CAMEL QUARTER HOUR featuring Morton Downey and Tony Wons — Camel Orchestra, Direction Jacques Renard — Columbia System — every night except Sunday

CAMELS

Mild . . NO CIGARETTY AFTER-TASTE

● *It is the mark of a considerate hostess, by means of the Humidor Pack, to "Serve a fresh cigarette." Buy Camels by the carton — this cigarette will remain fresh in your home and office*

©1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

PHILADELPHIA.

WILLIS ANDRUSS RETURNS FROM TRIP

WILLIS ANDRUSS, sales manager of the Congress Cigar Company, has just returned from a four weeks' trip through the Middle Western States where he visited the distributors of "La Palina." Mr. Andruss reports signs of an upturn in some districts and a. decided feeling of optimism apparent.

The Eli Witt Company has taken on the distribution of "La Palina" cigars in Florida territory, and since the Eli Witt Company is the largest distributor of tobacco products in the State of Florida, an immediate increase in the sale of this quality brand is confidently anticipated.

Holiday orders are being received at "La Palina" headquarters in an ever-increasing volume and a volume of business equal to, if not ahead of, that of last year, is expected.

TINT OPENS ANOTHER

Harry A. Tint, who operates one of the finest cigar stores in the city in the Burlington Arcade, where he carries an excellent stock of high-grade imported and domestic brands catering to the high-grade trade, opened another fine cigar store in the Pennsylvania Concourse on Saturday, October 3d.

Harry makes annual trips to Tampa and Havana where he selects the high-grade tobaccos for his brands and also specifies the shapes he desires, and his volume of business certainly certifies to the fact that his customers approve of his choice.

Mannie Perez, of Marcelino Perez & Company, Tampa, was on hand when the doors were opened and made the first purchase in the new store. Floral pieces were received from many prominent members of the trade from various parts of the country wishing Mr. Tint the utmost success.

LUMLEY RETURNS FROM TRIP

Ben Lumley, Garcia y Vega, and Carl Upmann, representative for this territory, has returned from a trip through Pennsylvania and New York State looking as though he had just returned from the war. While motoring near Pittsburgh on his trip Mr. Lumley's car was involved in an accident and turned over, but he miraculously escaped with only some severe cuts and bruises and is still under the care of a physician. However, in spite of this unpleasant experience, Mr. Lumley was able to carry on and reports the most successful trip he has had since his association with the Garcia y Vega and Carl Upmann factories.

YAHN & McDONNELL DISPLAY NOVELTIES

YAHN & McDONNELL, 617 Chestnut Street, distributors of cigars and tobacco products, are displaying a new and complete line of smokers' accessories and novelties for the holiday season and buyers are beginning to make their appearance.

Just this week they received a shipment of musical steins which are sure to prove popular. These are real replicas of famous German steins in two sizes and retailing at $6 and $8. There is also a beautiful musical beverage shaker and a solid mahogany cigar humidor, handsomely inlaid, which will prove a ready seller.

Abe Caro was a visitor this week, returning from an extended trip through the southern States in the interest of "Optimo" cigars, which are a best selier here.

"Blackstone" cigars registered a substantial increase in this territory in the month of September as compared with the same month of last year, through the able distribution of the Yahn & McDonnell organization.

Frank Llano arrived last week and will remain for a time working with Yahn & McDonnell in the interests of "Antonio y Cleopatra" and "Flor de Cuba," both products of the American Cigar Company. "Antonio y Cleopatra" cigars have also shown an increase in sales here as compared with last year's sale for the same period.

A. Berkowitz, of the Christian Peper Tobacco Company, was in town this week and reports a phenomenal demand for their "Golden State" smoking tobacco, which is being featured with an individual cigarette rolling machine. This tobacco is extremely mild and makes an exceptionally good cigarette, and, what is more to the point at the present time, it provides cheap smoking. Yahn & McDonnell are the exclusive distributors of "Golden State" smoking tobacco for this territory and it is meeting with a steady increase in demand.

"ROYALIST" SALES SHOW IMPROVEMENT

At the headquarters of Grabosky Brothers, Incorporated, North Second Street, manufacturers of the "Royalist" brand, they report sales of their brand showing steady improvement.

William Deiches & Company, Baltimore and Washington distributors, recently took over the distribution of the "Royalist" brand for their territory and the brand is meeting with a warm reception from retailers and smokers.

"Give me Lucky Strike Every Time"

"My throat is all important to me. No harsh irritants for yours truly. Give me LUCKY STRIKE every time. **And pat yourself on the back for your new Cellophane wrapper with that tab which makes the package so easy to open."**

Dorothy Mackaill

MOISTURE-PROOF CELLOPHANE
Sealed Tight Ever Right
THE UNIQUE HUMIDOR PACKAGE
Zip—
and it's open!

Dorothy Mackaill is the same fascinating, rollicking personality in real life as the parts she plays. Watch for Dorothy in her next **First National Picture, "Safe in Hell."** There is never a dull moment in any of **First National's** pictures starring that Mackaill giri.

Copr., 1931, The American Tobacco Co.

"It's toasted"

Your Throat Protection—against irritation—against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

***Is Miss Mackaill's Statement Paid For?**

You may be interested in knowing that not one cent was paid to Miss Mackaill to make the above statement. Miss Mackaill has been a smoker of LUCKY STRIKE cigarettes for 6 years. We hope the publicity herewith given will be as beneficial to her and to First National, her producers, as her endorsement of LUCKIES is to you and to us.

"Chesterfield" Glorifies The American Girl

Above is a photographic reproduction of the attractive window trim being used by Liggett & Myers Tobacco Company throughout the United States this month promoting the sales of their "Chesterfield" cigarettes and at the same time putting in a good word for their smoking tobaccos.

It is a window that holds the eye. On a background of brilliant magenta appears the famous "Chesterfield" challenge—"They Satisfy—Just try 'em." Against this background stand out the brilliant figures of these tastefully pajama-ed young women, who are taking evident delight in the "Chesterfield" newspaper ad—"My Sweetheart Smokes 'em—He Knows."

This cutout will appear in windows in every town and city in this country during the month of October.

ONLY THREE TOBACCO COMPANIES CUT WAGES IN AUGUST

According to the monthly report of the Labor Department at Washington, out of 221 establishments in fifty-seven separate industries reporting wage cuts in the month ended August 15th, only three cigar and cigarette firms are included, and 815 workers in the cigar and cigarette industry were affected.

STRIPPING PRODUCTION INCREASES IN PORTO RICO

Advices issued by the Bureau of Commerce and Industry of Porto Rico, states that tobacco stripping plant production in that country increased 50 per cent. during the last fiscal year as compared with the previous fiscal year period.

DRUG STORES SELL 58 PER CENT. NON-DRUG ITEMS

Dorrance, Sullivan & Company, Incorporated, advertising agents, New York City, state that the 60,000 drug stores of the United States sell annually more than $1,500,000,000 worth of merchandise composed of some 80,000 items, according to the *Retail Ledger*.

Statistics also indicate that only 42 per cent. of the total is actually drug business, the prescription sales being 14 per cent., and the sales of proprietary medicines and drug supplies being 28 per cent. of the total.

The remaining 58 per cent. is divided between cosmetics, candy, soda and lunch counter, tobacco and odds and ends from writing paper to alarm clocks and mouse traps. Postage stamps are the outstanding non-profit item.

"That bully old slogan hits me just right—

...no bamboozlin' about that!"

SURE! When a word fits, you know it! "Satisfy" just *fits* CHESTERFIELD. A smoker picks up a package, and he likes its neat appearance—no heavy inks or odors from ink. *That* satisfies him.

Then he examines a Chesterfield. It is well-filled; it is neat in appearance; the paper is pure white. And that satisfies him.

He lights up. At the very first puff he likes the flavor and the rich aroma. He decides that it *tastes better*—neither raw nor over-sweet; just pleasing and satisfying.

Then he learns it is milder. That's another way of saying that there is nothing irritating about it. And again he's *satisfied!*

Satisfy—they've *got* to satisfy! The right tobaccos, the CHESTERFIELD kind, cured and aged, blended and cross-blended, to a *taste* that's right. Everything that goes into CHESTERFIELD is the best that money can buy and that science knows about. CHESTERFIELDS do a *complete* job of it. They *Satisfy!*

©1931, LIGGETT & MYERS TOBACCO CO.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

GROWING discontent of industry and business with the inhibitions of the anti-trust law is making itself felt among members of Congress and may result in modification of that forty-year-old statute at the next session of Congress, according to J. F. Callbreath, secretary of the American Mining Congress.

Much criticism, he declared, has been voiced regarding the difficulties surrounding industry incident to the inflexibility of the present law to permit curtailment of production to demand an adjustment of price in order to assure producers a fair return on their investment and hazard of operation. These objections, he pointed out, are largely confined to the "natural resource" industries, such as oil, lumber, mining, etc., but other industries also have their complaints regarding the high wall which the law has built around certain activities.

Restraints around combinations, it has been charged, are so rigid as to make it impossible for many concerns to alleviate the conditions resulting from depression by mergers and acquisitions which would bring about a reduction in production costs, and there are indications that the whole question of anti-trust legislation will be brought before a Congressional committee this winter for investigation.

Treasury Faces Large Deficit Unless New Sources of Revenue Are Found

Information available to the Treasury at the end of the first quarter of the current fiscal year on September 30, indicates that unofficial estimates of a deficit next June of $1,500,000,000 or more are justified, unless the coming Congress decides to put additional sources of revenue at the disposal of the Government.

From present figures it appears that income tax collections for the entire fiscal year will amount to around $1,100,000,000 and that total Government receipts for the year will be less than $3,000,000,000 on the basis of present tax rates. In the fiscal year 1931 the collection of taxes was $1,860,000,000 and in 1930 $2,410,000,000. In 1930, when the last surplus was recorded, receipts from all sources totaled $4,177,941,000.

Little additional information will be available to the Treasury relative to the financial situation before the December session of Congress. Accurate knowledge of the effect of depressed conditions in 1931 will not be available until the filing of income tax returns, due March 15, 1932, although some indication of the trend of income may be obtained from the annual reports of corporations issued next January and February.

Both at the White House and the Treasury the question of possible increases in taxes partially to meet the deficit is being given consideration, officials admit, although it is denied that any decision has yet been reached.

Treasury Department Seeks Test of President's Power on Flexible Tariff Provisions

Test of a decision of the United States Customs Court in New York holding the President to be without power to single out for special treatment, under the flexible provisions of the tariff law, individual items from any given class of merchandise, is being sought by the Treasury Department.

The Assistant Attorney General at New York has been requested by the Commissioner of Customs F. X. A. Eble, to file an application with the United States Court of Customs and Patent Appeals for review of this decision of the New York court, which held that the segregation of certain classes of men's straw hats from the provisions of the general paragraph was unwarranted exercise of Presidential authority.

Other cases of like nature are pending in the customs courts. The principle involved is important, the decision in the hat case, if upheld, materially restricting the power of the President to deal with cases where the rates in the tariff act do not adequately protect American manufacturers with respect to merchandise selling at certain prices, although sufficient in the case of the same class of goods selling for more or less. In the hat case, it was found that an increase in duty was necessary in the case of goods within certain price brackets only.

Expect Decision on Increased Freight Rates This Month

Oral arguments before the Interstate Commerce Commission on the railroads' proposal for a 15 per cent. general advance in freight rates were concluded September 29. The case has been taken under consideration by the Commission, with indications that it will make its decision known late this month or early in November.

Proposed remedies for the railroads' situation as alternatives to a rate advance occupied a prominent part in the arguments presented by representatives of the shippers.

Suggestions how the railroads might improve their condition without increasing freight charges ranged all the way from a reduction of their empty passenger cars to increases in the rates paid by the Post Office Department for the transportation of the

(*Continued on Page 17*)

CIGAR MAN STATES HIS VIEWS OF INDUSTRY'S DIFFICULTIES

(*The following article has been prepared from some jottings handed to us by a man who has spent many years in the cigar jobbing field and who has been connected over a long period with one of the most important houses in the country, and handling the cream of nationally known brands. We may differ with some of his views, but taken as a whole there is considerable white meat chicken in the salad.—Ed.*)

AT the very outset let me say that the cigar, cigarette and tobacco business should be one of the best in the country. It holds wonderful possibilities, but the realities at the present time are not satisfying. The difficulties in the way of making the tobacco industry prosperous are numerous in my opinion.

From my own experience extending over a period of years, I definitely know from sales records that advertising is almost magic in its results—of course, with exceptions. Yet I feel that individual benefits should be subordinated for the good of the industry as a whole.

Slogans, particularly, can be constructive, but likewise destructive. Let us take a few as examples and consider them without prejudice. For that purpose I list them in two groups.

GROUP No. 1.

"They are always kind to your throat."
"Not a cough in a carload."
"Try your nerves after smoking an . . . cigar."
"Spit, a detestable word."

GROUP No. 2.

"For real enjoyment smoke . . . ."
"I'd walk a mile for a . . . ."
"Thirty minutes in Havana."
"What a whale of a difference a few cents make."

Group No. 1 insinuates that excepting the advertised brand all competing products have certain qualities which have been concealed from the smoking public for good and sufficient reasons. If the various anti-tobacco organizations were to capitalize this type of advertising it could not help but make the sale of tobacco products even more difficult than under existing conditions.

Moderation in all things is a maxim which most of us learned in early youth, and we who are familiar with the tobacco business know that if this adage is followed no harm can result. Exercises and diets prescribed as beneficial often result in permanent harm when carried to excess.

While perhaps 75 per cent. of all cigars are made either in whole or in part by mechanical methods, why is this fact not more strongly emphasized in cigar advertising? On the other hand it seems to be an opinion among experienced cigar smokers, and I believe it to be a fact, that the best cigars are hand-made.

Group No. 2 is to be admired and complimented on their method of intelligent reasoning in placing the merits of their products before the consumer in a brief phrase rich with stated and implied fact.

"There is anticipation and desire expressed in the slogan, "For real enjoyment smoke an . . . cigar." The imagination is given full sway, and dreams of being in the land which produces the only fine filler for cigars cloud the mind when we read, "30 Minutes in Havana." The second and fourth slogans indicate a definite degree of superiority for the brands advertised that justify the smoker's consideration of their real merits.

Aside from the slogans in Group No. 1, there is a word much in use in the industry's advertising which I think is debatable. It is the word "Satisfaction."

A man long prominent in the cigar industry once remarked, "I have been trying all my life to make a cigar that would *not* satisfy."

When you sit at table you are not satisfied unless you have dined sufficiently to quell your desire for food for some hours to come.

It seems to me that cigar and cigarette manufacturers are trying to reverse the meaning of the word. Smoke satisfaction, according to their advertising, insinuates that their product creates a desire for more, at once, rather than the real meaning of sufficient to last for a time.

AGED FEMALE RECLUSE A CIGAR SMOKER

During the legal fight over the custody of Mrs. Ida E. Wood, the 93-year-old recluse of the Herald Square Hotel, New York City, who was removed from her rooms last week to a new location, it was disclosed that she is a cigar smoker when it was explained that a burn on her lip was inflicted on herself when she accidentally placed the lighted end of a cigar in her mouth.

Mrs. Wood is the widow of the former publisher of the old *New York Daily News*, for which she received $340,000 in cash shortly after his death. About $900,000 in bills of large denominations was found in her room and deposited in a bank and it is believed there is more secreted there.

CONNECTICUT PACKERS EMPLOY 2500

Although thousands of unemployed job-seekers were on hand early on Monday morning last week in Hartford, thinking that the first ones in line would get the jobs, the warehousemen had anticipated such a condition and had mailed cards to their old employees notifying them to be on hand and use the card to gain admittance.

Consequently there was a near riot when the hiring was begun, but all those holding the notification cards were finally accounted for and many new workers were then engaged. About 2500 persons in all were hired, leaving hundreds disappointed in the streets.

NICOTINE ACCOUNT TO UNITED AGENCY

The American Nicoton Corporation, New York, has placed its advertising account with the United Advertising Agency, of that city.

This company is introducing to the American market a product known as Niconette. An advertising campaign will be launched to explain how the new product may be used to eliminate nicotine from tobacco without causing the smoker to switch from his favorite brand. Magazine, rotrogravure and business-paper advertising will be used.

GLENN HELD WITHOUT BAIL

Archie Glenn, son of a wealthy tobacco company official, was held without bail last week for the Grand Jury, charged with a hold-up he is said to have admitted after voluntarily surrendering to police here three weeks ago.

Glenn, who is twenty-one, confessed, according to police, that he was one of two men who on September 26th attempted to rob a restaurant on Sixtieth Street near Larchwood Avenue, but fled without loot after they had blackjacked the proprietor.

A. T. CO. ADDS WORKERS AT DURHAM PLANT

A SUBSTANTIAL addition to the force at its Durham, N. C., plant has just been announced by the American Tobacco Company. This increase in the force was made necessary by a doubling in the production of "Bull" Durham tobacco since the inauguration less than a month ago of a new advertising campaign for that brand of tobacco.

The immediate response of the smoking public to this advertising carried in approximately 1900 newspapers throughout the country is held by experts as a spectacular example of the efficacy of newspaper advertising.

The advertising announces a reduction in price from eight to five cents for the traditional pocket-size sack, a step taken by the American tobacco Company in line with the present trend toward economy which is leading more smokers to "roll their own."

With the doubled production program, more men were required to handle the heavy shipments of tobacco which were arriving from the South Carolina markets. Since further shipments are anticipated, it is believed that additional men will be employed.

Another interesting result of the far-reaching effects of this campaign is a report that the Golden Belt Manufacturing Company, makers of small tobacco bags, are working this branch of their industry day and night.

The fact that several hundreds of thousands of sacks were sold every day before the beginning of the advertising campaign proves the popularity of this brand which is sixty years old, but the recent 100 per cent. increase in production is held by officials of the company as a most significant example of the tremendous force that advertising can exert on sales.

This event demonstrated how quickly the entire country can have its attention directed to a commodity which meets the needs of the time, business experts point out. This constitutes a public service of great importance.

"The timeliness of 'Bull' Durham's return is obvious," commented *Printer's Ink Weekly*, "from the present interest in economy which is leading more and more smokers to the ancient custom of 'rolling their own' cigarettes."

It is not generally known that although for a number of years "Bull" Durham has not been widely advertised, it remained exceedingly popular.

The "Bull" Durham tobacco was one of the first, if not the first, of nationally advertised products. It was often said of it, that the entire Union and Confederate armies, when they were demobilized and returned to their homes after the Civil War, constituted its first and greatest advertising agents. It has been an inseparable companion of United States military forces ever since, in addition to finding its way into pipes and "made to order" cigarettes in every corner of the world.

GRIFFIN BOOMED FOR MAYOR OF HARTFORD

The many friends of Fred Griffin, well-known leaf tobacco grower and dealer, and president of the Connecticut Valley Leaf Tobacco Growers' Association, are booming him for Mayor in Hartford at the coming election.

Although the movement was started without Mr. Griffin's knowledge or consent, and despite the fact that he says he is too busy with the tobacco business to bother with politics, some of the newspapers have taken up the campaign and the "Griffin for Mayor" slogan is still being heard.

MORE TAXES PROPOSED FOR CHAINS

AS WAS to be expected, the Supreme Court's five-to-four decision affirming the validity of the Indiana law taxing chain stores has inspired similar legislation in other states. The House of Representatives of the State of Indiana itself has passed a stronger bill levying a tax of $25 per store on all stores and $100 on each store over three.

The proposed Wisconsin law, which at first proposed a graduated tax of from $1 for one store to $1000 on stores above twenty, has been recommended by the committee on finance, but modified to read $2 on one store to $100 on stores above twenty. In addition, a fee of $100,000 has been proposed for chain incorporations and the admission of foreign chain store corporations, though this does not touch existing corporations nor non-incorporated chains.

A bill after the Indiana model has been introduced into the Illinois Legislature. In Florida a bill imposing a graduated license tax on chain stores has passed the State Senate by a vote of 25 to 7.

The Alabama House of Representatives has passed a bill by a vote of 74 to 14 placing a graduated tax on chain stores ranging from $1 on a single store to $75 annually on each store above twenty, and taking effect October 1st. The Ohio chain store tax bill, modeled after that of Indiana, has died in committee from lack of favorable votes.

The 1931 Revenue Act just adopted by the North Carolina General Assembly provides a gross sales tax on wholesalers and retailers, the rates for each six months ranging from $12.50 for sales up to $50,000 to $400 for sales of $1,000,000 made by wholesalers, while the tax rate on retail sales range from $5 on the first $5000 to $500 on sales of $500,000. The rates on retail sales are higher throughout than for wholesale sales.

Steps have been taken for a rehearing of the Indiana case when the Supreme Court reconvenes in October, at which time similar cases from Mississippi and North Carolina are also expected to come up. Meanwhile, the arrangements for collection of the tax by the Indiana Board of Tax Commissioners have been halted pending rehearing.

OHIO VENDING MACHINES MUST PAY LICENSE

The owner of a cigarette vending machine must take out a retail license when he furnishes the cigarettes, the Attorney General of Ohio, Gilbert Bettman, has ruled. The person in whose place of business the machine was installed received a share of the sales, the opinion explained.

Persons who took out both a wholesale and a retail license to sell cigarettes at the same place prior to July 9th are entitled to a refund for the license given up involuntarily. A new law forbids one establishment to do both a wholesale and retail business, it was explained.

On the other hand, a person who voluntarily discontinued a wholesale or retail cigarette business after July 9th is not entitled to a refund. No refund may be had under the ruling until the Legislature has made an appropriation, Mr. Bettman pointed out.

MANILA STRIKE FAILS

The general strike called two weeks ago by cigar workers in Manila has proved a failure in all except three factories and the workers returned to the factories last Thursday with the disputed issues unsettled.

Let Autokraft Containers Package Your Cigars And Aid Your Sales

AUTOKRAFT BOX CORPORATION has the largest and most complete facilities in this country for the production of cigar boxes.

It offers a NATION-WIDE Service through its branches which dot the cigar belt from the Atlantic seaboard to Kansas City, Mo.

Over a period of years no expense has been spared to develop not only the highest type of cigar container, but the most economical as well. Every possible economy, in both hand and mechanical operation, consistent with the production of reliable merchandise, has been introduced—and in turn passed on to the customer.

AUTOKRAFT believes today (and its research and experimental work continues unceasingly) that it is producing cigar boxes which represent not only the highest type of fabrication but which contribute, as well, superior display and sales advantages.

These are but two of many reasons why AUTOKRAFT cigar containers should interest every progressive cigar manufacturer.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa. Hanover, Pa. Cincinnati, Ohio Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill. Detroit, Mich. Wheeling, W. Va.

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Fresh AS VINE-PLUCKED GRAPES

© P. Lorillard Co., Inc.

CELLOPHANE SEALED

Old Gold CIGARETTES

Sure, O. Gs. are sealed in Cellophane. They bring you all the freshness of a newly made cigarette, without any loss of natural moisture or fragrance.

And when you smoke an OLD GOLD you smoke a PURE-TOBACCO cigarette. Free of greasy, breath-tainting, artificial flavors. Cellophane sealed, O. Gs. are fresh and fragrant whenever . . . wherever . . . you smoke them.

NOT A COUGH IN A CARLOAD

INCREASED EARNINGS ANTICIPATED FOR L. & M.

FOR approximately nine months in 1930, the Liggett & Myers Tobacco Company, along with other cigarette manufacturers, received 15 per cent. more for its principal brand of cigarettes than in the corresponding period of 1929.

For the final three months of the year, the price was the same as that which prevailed in the last three months of 1929. Therefore, assuming the volume of sales was stable month by month, the increase in price over the full year averaged 11.25 per cent.

Last year Liggett & Myers earned $24,002,315, an increase of $1,985,187, or 9 per cent., over the $22,017,128 earned in 1929. The company does not disclose what part of its total volume of business is accounted for by "Chesterfield" and "Piedmont" cigarettes, on which the price advance of October, 1929, applied. In 1929, the increase in earnings was 13.4 per cent., compared with only 3.5 per cent in 1928 over 1927.

Earnings of Liggett & Myers have been gratifying over the last decade, and since 1923 have shown steady advances in each successive year.

As cigarette manufacturers do not release interim reports, no definite indication can be given as to what may be looked for in the way of earnings for Liggett & Myers for this year. Intensified competition has tended to increase advertising expenditures. The increased prices being received for cigarettes, however, should be reflected in augmented earnings.

Due to the necessary long period required in the processing of tobacco, inventory accounts form the major portion of the current assets of tobacco companies. On December 31, 1930, inventories of Liggett & Myers amounted to $101,131,855, which was 66.9 per cent. of the total current assets. The financial condition of the company is good, and has been so for the past several years.

As of December 31, 1930, the stock capitalization consisted of 225,141 shares of 7 per cent. cumulative preferred stock, $100 par; 859,856 shares of $25 par common, and 2,277,063 shares of $25 par Class B common. The two common stock issues are identical in every respect, except for voting power, from which the Class B common is excluded. The company has $28,176,200 of funded debt.

The cigarette business has been one of the last to feel the effects of the general depression, and has held up much better than most. Although cigarette sales in the last two months have shown big declines, this is, in part, accounted for by the shift of the smoker toward rolling his own cigarettes.

Liggett & Myers probably will obtain a good part of this business with its "Velvet" smoking tobacco. Incidentally, it has been making good progress with its "Granger," which is not suitable for rolling into cigarettes. This latter tobacco is said now to have the greatest sale of any pipe tobacco.

"Chesterfield" retains a wide appeal among smokers.

Liggett & Myers Class B common stock would seem to be rather well deflated at around current quotation levels, and appears to be an attractive issue for long-term holding.

CONSOLIDATED PREFERRED DIVIDEND

Directors of the Consolidated Cigar Corporation have declared the regular quarterly dividend of $1.75 on the 7 per cent. preferred stock of the company and $1.62½ on the 6½ per cent. preferred stock.

WOMAN SANITARY EXPERT OF CIGAR FACTORIES SHOWS HOW THEY KEEP CLEAN HOUSE

THE CIGAR industry demonstrated to the housewives of the country that it could teach them a trick or two about clean housekeeping today (Thursday, October 15, 1931) at the Safety Council Conference at the Hotel Stevens, Chicago.

Alice M. Ellis, director of cleanliness, welfare and health service for the American Cigar Company, in an address before the Industrial Nursing Section, related the ingenious and thorough methods by which the company, manufacturing five-cent cigars in accordance with the proud motto that they are free of all possibility of contamination by any unclean substance, keeps six immense factories at Philadelphia, Camden, Passaic, Kansas City, Mo.; Louisville, and Charleston, S. C., up to the highest standards of sanitation and cleanliness.

An application of womanly psychology smoothed the way for maintenance of the factories in the cleanest possible condition, Miss Ellis related. As her first step, she surrounded the workers with shining white walls which would show the slightest fleck of dust, and fixtures, machinery and trimmings painted and polished resplendently. With this example, the workers, a large proportion of them young women, were induced to take a pride not only in the cleanliness of their work, but in their own persons, Miss Ellis said.

As a result, she added, a new force was felt not only in the factories, but in the employees' homes and in their communities as a whole, working for a higher standard of living and of health.

Miss Ellis was called to her task, she explained, through the late Alfred W. McCann, famous expert on pure foods and cleanliness in industry, at the time the American Cigar Company introduced the latest machinery to manufacture five-cent cigars without any possibility of contamination.

Illustrating each step with lantern slide views, Miss Ellis showed how the new methods worked out in the production of cigars.

"We all know that the first step in welfare work is to teach where necessary," Miss Ellis said, "and at all times to practice cleanliness in all its forms. Here I was faced with the problem of bringing personal cleanliness to groups of from 900 to 1200 or more in these six plants. These groups were mostly girls, ages averaging from just over school age to thirty years, some of whom had very sketchy ideas of cleanliness. Now, I've found the easiest way to obtain results is through the eye, and by setting a good example, and not just talk, therefore I decided to try and obtain personal cleanfiness in a roundabout manner and begin on environmental cleanliness, letting the personal end of it wait.

"Why? Because I hoped by giving them a shining, glisteningly clean factory to work in, the good example would help. I hoped my idea of cleanliness would seep into their brains through their eyes. And events proved later that this is just what happened."

Pictures exhibited by Miss Ellis showed the elaborate provisions for keeping workrooms, rest rooms and dining rooms clean and cheerful, as well as the actual operations of manufacturing the cigars and finishing them under glass.

AMERICAN CIGARETTES GAIN IN SWITZERLAND

AMERICAN cigarettes hold first place among the many and varied foreign tobacco products on sale in Switzerland and give promise of meeting with still greater popularity in the future, according to a report from Vice Consul Albert W. Scott, released by the Commerce Department Tobacco Division.

Since 1923, when imports of American cigarettes into Switzerland were valued at only $4440, purchases from the United States have steadily increased to the point where they totaled 47,531 pounds, valued at $57,966 in 1930, and surpassed imports from all other sources. Next in order as suppliers of cigarettes to Switzerland in 1930 were Egypt, Great Britain, Germany and Turkey.

The presence of the many foreign brands is attributed to the Swiss efforts to supply foreign tourists with the particular smokes to which they are accustomed.

Nearly all of the leading American and English brands of cigarettes and pipe tobacco, and also many German, French and other foreign brands, are found in retail tobacco stores. For sale to Swiss consumers, of course, foreign brands have to meet much competition from the large number of different makes of Swiss cigarettes, cigars and smoking tobacco, which have the advantage of protective customs duties.

The number of Swiss using foreign brands has increased greatly in recent years, but a large part of the imported manufactured tobacco is sold to tourists. That the tourist trade is in itself of much importance can be judged by considering the number of tourists which visit Switzerland each year, often for prolonged periods of time. According to an estimate of the Swiss tourist office, the number of foreign visitors in Switzerland during the year 1929 exceeded 2,000,000.

Until recently, smokers in Switzerland had a decided preference for mild cigarettes made from oriental tobacco, according to Swiss trade reports. During the last few years, however, the taste of smokers seems to have turned toward the Maryland and Virginia types, the trade states.

CONGRESS RADIO PROGRAM A HIT

The Congress Cigar Company, Third and Spruce Streets, this city, manufacturers of the "La Palina" cigar, have been receiving many favorable comments from radio and "La Palina" fans on their new radio program which is being broadcast over the Columbia Radio System on Monday, Wednesday, Thursday and Saturday evenings at 8:30 P. M., E. S. T., featuring Kate Smith.

Kate Smith sings popular songs with a personality and charm that has made her an exceedingly popular radio entertainer, which is an ideal hookup for such a popular brand of cigars as "La Palina."

HAVANA CIGAR STRIKE AVERTED

Advices from Havana announce that the Cigarmakers' Union have voted, on a referendum, to accept a 7.62 per cent. reduction in wages proposed by the cigar manufacturers of that city, which settles the wage dispute in progress in that city and prevents the lockout which would have resulted from a strike of the cigarmakers, which would have paralyzed the industry there at a very critical time.

The manufacturers state that their industry is in a serious position at this time because of the world depression and the high tariffs which have been enacted upon Cuban tobacco and tobacco products.

RADIO ADVERTISING INCREASING

ALTHOUGH magazine advertising by the tobacco industry during September totalled $580,759, decline from the total of $677,674 for such advertising during the same month a year ago, this decline of 14.3 per cent. compares favorably with the loss of 21.8 per cent. registered in August as compared with the previous August. The appropriation during September included $480,654, or 87.9 per cent., for cigarettes; $56,880, or 10.4 per cent., for manufactured tobacco and smokers' supplies; and $9375, or 1.7 per cent., for cigars, according to the Business Survey Department of Dorrance, Sullivan & Company, Inc., New York advertising agents. The $4,757,181 spent by the tobacco industry for magazine advertising during the first three quarters of 1931 is only 1.3 per cent. behind the total of $4,821,178 for a like period in 1930.

During August the industry spent $930,789 for all types of national advertising. This is a gain of 19.7 per cent. over the August, 1930, figure of $777,182. The August expenditure for radio broadcast advertising over national networks was $467,123, a gain of 142.8 per cent. over the same month in 1930, when $184,147 was spent. Total radio advertising for the tobacco industry during the first eight months of 1931 reached $3,189,809, an increase of 144.2 per cent. over the like period of 1930, when the expenditure was $1,305,984. During the same eight-month period the industry expended $7,366,231 for all types of national advertising, an increase of 35.2 per cent. over the $5,499,488 spent during the first eight months of 1930.

The September expenditure for national (except farm) magazine advertising was $546,909, a drop of 15.3 per cent. from the September, 1930, expenditure of $645,524. National farm magazine advertising showed an increase, however, from $32,150 in September, 1930, to $33,850 in September, 1931, a gain of 5.0 per cent. At the end of the third quarter of 1931, national magazines showed a loss of 3.1 per cent. with expenditures of $4,465,531 in 1931 as compared to $4,607,053 in 1930, while national farm magazines had increased their tobacco advertising from $214,125 to $291,650, a gain of 36.2 per cent.

WAGNER REPORTS VISITORS

Among the visitors at John Wagner & Sons, Dock Street, distributors, were Barton H. Lemlein and Joe Banker, of M. Sachs & Company; George Stocking, of Arango y Arango; Kid Nichols, of the Belinda factory in Havana, and E. Popper, of E. Popper & Company.

All these "men of the road" have an excellent opportunity to observe conditions throughout the country and they report business on their various brands as entirely satisfactory. George Stocking, also reports that his factory's business shows an increase this year over last year.

I. B. White, manager of the cigar department for John Wagner & Sons, reports business "excellent."

C. A. BOND LEAVES ON TRIP

Charles A. Bond, tobacco agent for the Philippine Government, with offices at 15 William Street, New York City, left last week for a tour of the country as far west as the Pacific Coast. Mr. Bond will visit tobacco jobbers and distributors throughout the territory covered and study the situation especially with reference to conditions on Manila cigars.

He expects to be away two months.

GENERAL CIGAR DIVIDEND

DIRECTORS of the General Cigar Company, Inc., have declared a quarterly dividend of $1 on the common stock, payable November 2d to stockholders of record October 16th, and a quarterly dividend of $1.75 on the preferred stock, payable December 1st to stockholders of record November 21st.

Downward trend of earnings of the General Company, apparent in the first half of 1931, when net was thirty-seven per cent. below that for the similar period of 1930, amounting to $1.57 a common share, seems to have been arrested in July, that month disclosing substantial improvement in both sales and profits, which continued into August.

The unusual success which General Cigar Company achieved in entering its "White Owl" cigar in the five-cent field will enable the company to show earnings for the third quarter this year fairly close to the $839,977, or $1.54 a common share earned in the third quarter of 1930.

This would leave nine months' earnings about 25 per cent. under those of like period of 1930. Last year General Cigar earned $1,445,971, or $2.59 a share in the six months ended June 30, and third quarter earnings brought the nine months' total up to $2,285,947, or $4.13 a common share. In the first six months this year earnings were $913,877, or $1.56 a share on a smaller number of common shares.

With profits slightly smaller in the third quarter this year than a year ago, earnings per share probably will run around $3 for the first nine months of 1931. This would cover the dividends for the period, which are $1 quarterly.

Normally, at this time of the year, there is a marked pick-up in demand for higher-priced cigars for the holiday trade. General Cigars is showing its earnings on the success of the "White Owl" cigar.

Formerly selling for as much as eight cents, the price of this cigar in June this year was cut to five cents, and sold to the retailers at $40 a thousand, the highest price asked for any five-cent cigar, and a price which prevented further price cutting by the retailer.

Sales of the cigar jumped sharply when the price was cut, and have continued to gain. All "White Owl" customers now are on allotment, and the company is producing the cigar at capacity. To take care of the demand, the company, within a few weeks, will switch over a factory to the manufacture of the "White Owl."

The change in price of the cigar was accompanied by a wide advertising campaign. Sales have continued to gain ever since.

With the lowering of the price of the "White Owl," the cigar was placed in direct competition with the "William Penn," General's former entry in the five-cent field. The big gains by "White Owl" were taken in part, from the "William Penn."

Gains in "White Owl" have been sufficient to make General's sales in the class A field in August and the first eight months of 1931 greater than sales in both class A and class B for the like periods of 1930.

With the first three quarters of the year showing the common dividend earned, the final three months' period also should cover dividend payments, since the trend of earnings has always been upward to the end of the year.

General Cigar Company in addition to the 472,982 shares of common stock, has outstanding 50,000 shares of 7 per cent. cumulative preferred stock, and $3,500,000 of 6 per cent. notes, maturing in equal annual instalments, from December 1, 1931, to December 1, 1935, inclusive.

FORMER A. C. VICE-PRESIDENT DIES

SAMUEL E. MOORHEAD, a well-known figure in the cigar manufacturing industry and a former first vice-president of the American Cigar Company, passed away at his home in New York City on October 2d, in his seventy-ninth year.

Mr. Moorhead was born near Pittsburgh in 1853. He was at one time associated with the Proctor & Gamble Company and later the Drummond Tobacco Company, of St. Louis. When the Drummond Company was sold to the Continental Tobacco Company, he moved to New York and was one of the incorporators of the American Cigar Company, and became vice-president. After several years with that company, Mr. Moorhead retired because of ill health and spent some time in traveling in Europe.

Funeral services were held on Monday, October 5th, with interment in Venice, Ohio.

He is survived by his widow, Mrs. Anna Johnston Moorhead, and a daughter, Mrs. Edith Bryant.

Mr. Moorhead's will which was filed for probate last week disclosed an estate of "more than $100,000." $100,000 was bequeathed to the Y. W. C. A. of Asheville, N. C., and a trust fund to yield $10,000 annually to his widow, until her death or re-marriage. In event of the death or re-marriage of his widow, the principal will revert to his daughter.

The trust fund consists of 2400 shares of Liggett & Myers Tobacco Company common "B" stock. His son-in-law is also bequeathed $10,000 and other stock bequests are made to Mr. Moorhead's nieces.

PREFERRED $3.33 CIGARS

The growing popularity of the five-cent cigar recalls by contrast the story of a late Minneapolis lumber magnate, recently deceased, who smoked a specially made brand which cost him $3.33 each.

This man wanted the good things in life and what is more could afford to pay for them. Periodically he forwarded a check for $10,000 to a tobacco agent for which he received 3000 of the finest cigars from Havana.

At one time a high price implied high quality, but this criterion is losing ground since through the economies of large scale machine production, quality can now be offered at a low price. Smokers have also become conscious of the sanitary aspects of cigar manufacturing. Spit-tipping and other unclean practices are no longer tolerated by the public. One popular five-cent cigar, whose campaign for sanitation has won the approval of health authorities, is the only cigar in the world finished under glass.

Today three-dollar cigars are infrequent, even dollar cigars find fewer users, but the nickel product is getting more popular every day. During the twelve months ending June, 1931, five-cent cigars represented over sixty-three per cent. of all cigars smoked, while during the month of July, 1931, they increased to seventy-three per cent. of the total, according to Government figures.

"ROYALIST" ACCOUNT WITH LEFTON

Grabosky Brothers, Inc., North Second Street, manufacturers of the "Royalist" cigar, have appointed the Al Paul Lefton Company, South Broad Street, this city, advertising agents, to direct all advertising on their brand.

News from Congress

(*Continued from Page 10*)

mails, consolidation of railroads, pooling, wage reductions, and even the construction of private highways for the operation of truck services coordinated with the railroads under proper Government regulation.

Representatives of the shippers presented statistics to the Commission to show that when business was good the railroads made large profits from their freight service but that the passenger service, including mail, express and milk, in 1928 and 1929 produced an actual deficit, failing to contribute anything toward a return on railway capital and leaving the burden of the deficit incurred by the passenger service to be assumed by the freight service. Their figures showed a net revenue from railway freight operations in 1929 of $1,645,309,614, as compared with $90,569,348 net revenues from passenger service, but that, after charging passenger service with its share of equipment and joint facility rents and taxes, there was an actual deficit.

In view of the situation, the shippers said, it would seem to be the duty of railroad executives to eliminate every unprofitable passenger train that can reasonably be eliminated and, in addition, to eliminate unnecessary passenger trains between important centers, pooling the revenues from the trains retained.

Increase in First Class Postage Rates Proposed

An increase in the first-class postage rate from the present two cents to two and one-half cents or three cents will be recommended to Congress by Postmaster General Brown next December as a means of making up the postal deficit, it has been made known. Only first class mail increases will be urged, the Postmaster General feeling that increases on second, third or fourth class mail would not result in enough extra revenues to make them worth while.

An increase of $65,000,000 in revenues is seen by Mr. Brown on the basis of a one-half cent increase, and $135,000,000 if a one-cent increase is granted. These estimates were contained in a statement issued by the Department, in which it was declared:

"Basing the estimate on the present volume of first-class mail matter, a one-half cent raise will bring in an additional $65,000,000 yearly, and with a one-cent increase the deficit would be more than balanced by the extra $135,000,000. This would enable the Post Office Department to accomplish some other things we have in mind in this manufacturing and selling of stamps and postal service."

Revision of Bankruptcy Laws May Be Recommended

Revision of the bankruptcy laws is expected to be asked of Congress by the Administration during the coming session, as the result of a report by the Judicial Conference of Senior Circuit Court Judges following a meeting in Washington early in October, at which it was developed that abuses which have crept into the administration of the law are steadily whittling down the returns to creditors in bankruptcy cases.

During the course of its meetings the conference received from the Department of Justice a report on the exhaustive investigation of bankruptcy law and practice now being made under instructions from the President, in which it was declared that "the bankruptcy act has failed to achieve its central purposes: its administrative machinery is inefficient and subject to exploitation, and that without radical revision of the law no substantial improvement can be accomplished."

In support of the statement of the Attorney General as to the failure of the law, statistics were submitted showing that the amount realized by general creditors has ranged from 7.7 per cent. of the liabilities in 1923 to 7.4 per cent. in 1930, and that in 65.44 per cent. of all the cases closed in the fiscal year ended June 30, 1930—most of which originated before the beginning of the depression—there were no assets above exemptions; in 82.24 per cent. there were assets of less than $500, and in 95.8 per cent. the assets were less than $5000.

Considerable criticism was also voiced in the report over the case with which discharges from bankruptcy can be secured, "virtually for the asking and in most cases quite without regard to the conduct of the debtor or the equities of the case."

Reporting that "the able study and diligent research of the administration in the past, under the bankruptcy act, as made by the Attorney General discloses that legislation is required to accomplish a more efficient administration for the benefit of both creditors and the bankrupt," the conference recommends to Congress, through the Attorney General, that legislation be enacted to make the spirit of the law, as well as its avowed purposes, effective.

These recommendations call for amendments to the present bankruptcy act to make the discharge in

(*Continued on Page 18*)

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

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OLD-ESTABLISHED CIGAR MANUFACTURING FIRM OF Hand-Made Havana quality cigars, offers fine Havana cigars in any quantity to discounting dealers, at profitable prices. Satisfaction absolutely guaranteed. If interested in first and repeated profits, address for particulars "Fair Dealing," Box 1168, Tampa, Fla.

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341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

POMFRET ARMS:—45,950. For all tobacco products. September 30, 1931. Consolidated Litho. Corp., Brooklyn, N. Y.

MANIKINS:—45,952. For cigars, cigarettes and tobacco. October 3, 1931. Bayuk Cigars, Inc., Philadelphia, Pa.

SUN BEAU:—45,947. For cigars, cigarettes and tobacco. September 2, 1931. The Warrior Cigar Factory, Sioux City, Iowa.

NAPETTES:—45,944. For cigars, cigarettes and tobacco. September 22, 1931. Powell & Goldstein, Inc., Oneida, N. Y.

NAP:—45,945. For chewing and smoking tobacco. September 22, 1931. Powell & Goldstein, Inc., Oneida, N. Y.

TRANSFERS

NICKEL KING:—45,904 (T. M. A.). For all tobacco products. Registered May 28, 1931, by Consolidated Litho. Corp., Brooklyn, N. Y. Transferred to W. J. Neff & Co., Red Lion, Pa., September 18, 1931.

SIR BEAU:—36,864 (United Registration Bureau). For cigars, cigarettes and tobacco. Registered August 31, 1911, by Julius Bien Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to original registrants to The Warrior Cigar Factory, Sioux City, Iowa, September 17, 1931.

CLARKE CUTLER:—45,930 (T. M. A.). For all tobacco products. Registered August 25, 1931, by George Schlegel, Inc., New York, N. Y. Transferred to Nathan Elson & Co., Inc., Chicago, Ill., September 24, 1931.

DU NAAR:—45,942 (T. M. A.) For cigars. Registered September 12, 1931, by George Schlegel, Inc., New York, N. Y. Transferred to Nathan Elson & Co., Inc., Chicago, Ill., September 24, 1931.

DIXIE HIGHWAY:—39,151 (United Registration Bureau). For cigarettes, tobacco, stogies and snuff. Regisatered February 3, 1915, by June E. Thomas, Indianapolis, Ind. Through mesne transfers acquired by Mrs. H. D. Cassebohm, and re-transferred to Reiss-Dabney Cigar Co., Incorporated, Louisville, Ky., August 9, 1931.

DIXIE HIGHWAY:—38,980 (United Registration Bureau). For cigars. Registered December 29, 1914, by June E. Thomas, Indianapolis, Ind. Through mesne transfers acquired by Mrs. H. D. Cassebohm, and re-transferred to Reiss-Dabney Cigar Co., Incorporated, Louisville, Ky., August 9, 1931.

FLOR DE PILGRIM:—26,377 (U. S. Tobacco Journal). For cigars, cigarettes and cheroots. Registered December 19, 1902, by Wm. Steiner Sons & Co., New York, N. Y. Transferred by Consolidated Litho. Corp., successors to the original registrants to Berriman Bros., Tampa, Fla., September 29, 1931.

MISS TAMPA:—19,260 (Trade-Mark Record). Registered May 20, 1898, by Witsch & Schmitt, New York, N. Y. Through mesne transfers acquired by Nordacs Cigar Co., Tampa, Fla., Morris Scadron, Proprietor, and re-transferred to Havatampa Cigar Co., Tampa, Fla., September 11, 1931.

News from Congress

(*Continued from Page 17*)

bankruptcy just and effective; to insure a thorough examination of the bankrupt, with due regard to the public interest involved; and to discourage fraud and waste.

The conference also recommends measures to encourage prompt steps toward liquidations or settlements by insolvent debtors; in matters of composition; to obtain extensions of time for the bankrupt to pay; relating to assignments for the benefit of creditors, and to provide relief of wage earners from garnishments or attachments.

CREDITORS ACCEPT SCHULTE OFFER

AT A MEETING of creditors of Schulte-United, Inc., Miller's, Inc., and Schulte-United Five Cent to One Dollar Stores, Inc., which corporations were adjudged bankrupt sometime ago, held last week and at which Harold P. Coffin, referee in bankruptcy presided, an offer of $3,965,000 made to the creditors by David Schulte on August 7th for the parent company was accepted by a majority of the creditors.

The offer will now be presented to the United States District Court by attorneys, with the recommendation that it be approved by the Court.

If approved, the offer will yield between twenty-nine and thirty-six per cent. to creditors of Schulte-United, Inc.; about seven per cent. to creditors of Miller's, Inc., and a substantial amount will remain to be distributed among creditors of Schulte-United Five Cent to a Dollar Stores, Inc.

SOUTH CAROLINA TOBACCO SALES DROP

The State Department of Agriculture announced last Friday that tobacco sales on the thirteen South Carolina markets had fallen off 8,000,000 pounds in comparison with last year and the aggregate price was $2,000,000 less than last year.

Figures covering August and September placed the 1931 sales at 61,264,057 pounds for $5,992,506.61. The average price during September was $9.37 a hundredweight.

A total of 69,048,041 pounds was sold in the same period last year for $8,107,038.98, an average of $11.72 a hundredweight.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912,

OF THE TOBACCO WORLD, Published Semi-Monthly at Philadelphia, Penna., for October 1, 1931.

State of Pennsylvania, } ss.
County of Philadelphia, }

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Gerald B. Hankins, who, having been duly sworn according to law, deposes and says that he is the business manager of THE TOBACCO WORLD, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of publisher, editor, managing editor, and business managers are:

Publisher—The Tobacco World Corporation, 236 Chestnut Street, Philadelphia, Pa.
Editor—Hobart B. Hankins, 236 Chestnut Street, Philadelphia, Pa.
Managing Editor—None.
Business Managers—Gerald B. Hankins, 236 Chestnut Street, Philadelphia, Pa.

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one per cent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.)

The Tobacco World Corporation, 236 Chestnut Street, Philadelphia, Pa.
Hobart B. Hankins, 236 Chestnut Street, Philadelphia, Pa.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages or other securities are: (If there are none, so state.)

None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is..... (This information is required from daily publications only.)

GERALD B. HANKINS,
Business Manager.

Sworn to and subscribed before me this
29th day of September, 1931.
RUTHERFORD S. BATES,
(Seal) Notary Public.
My commission expires January 21, 1933.

VOLUME 51 No. 21

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AUTOKRAFT BOX CORPORATION has the largest and most complete facilities in this country for the production of cigar boxes.

It offers a NATION-WIDE Service through its branches which dot the cigar belt from the Atlantic seaboard to Kansas City, Mo.

Over a period of years no expense has been spared to develop not only the highest type of cigar container, but the most economical as well. Every possible economy, in both hand and mechanical operation, consistent with the production of reliable merchandise, has been introduced—and in turn passed on to the customer.

AUTOKRAFT believes today (and its research and experimental work continues unceasingly) that it is producing cigar boxes which represent not only the highest type of fabrication but which contribute, as well, superior display and sales advantages.

These are but two of many reasons why AUTOKRAFT cigar containers should interest every progressive cigar manufacturer.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

TOBACCO AGENTS FOR THE PHILIPPINE GOVERNMENT

CHARLES A. BOND
DAVID F. MORRIS

15 William Street
New York City.

September 18,1931

Mr. E.M. Henofer, Pres.,
Wooden Cigar Box Boosters Club,
216 Seaside Ave.,
Atlantic City, N.J.

Dear Sir:

For some years I have followed closely your campaign to protect the cigar industry by advocating the continued use of wooden boxes.

In this connection,permit me to say that Manila cigars are packed one hundred percent in cedar boxes. Experiments have been made with other materials in the past,but, the Manila manufacturers find that nothing can take the place of wood to preserve the quality of cigars.

It may interest you to know that the Manila trade is expanding and that shipments show a gain of about seven percent over last year. Clean, wholesome cigars, carefully packed in wood is the answer.

Respectfully yours,
C A Bond
Philippine Tobacco Agent

MANILA CIGARS *are packed.....*
100% IN WOODEN BOXES

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 21

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, NOVEMBER 1, 1931 — Foreign $3.50

EDITORIAL COMMENT

THE cigar withdrawals for the month of September are about as disappointing as some of the cigar corporation earnings for the third quarter as reported in the financial pages during the past month.

During the months of September and October the unwarranted hysteria of bank depositors has brought about the closing of many neighborhood and suburban institutions, acutely affecting trade in an already tense economic situation. Relief measures are the important order of the day, and there is no doubt but what "red tape" will be cut wherever the margin of safety makes it possible.

However, while these conditions may be only temporary they have had a devastating effect on neighborhood and suburban trade. And meanwhile this interrupted flow of purchasing power must be reflected on the balance sheets of the industry and commerce of the country.

In the month of September cigars withdrawn for consumption were less by more than 74,000,000 than those of September, 1930. In September, 1930, the withdrawals were less by more than 67,000,000 than those of September, 1929.

Cigar Withdrawals for Months of September

1920....	678,640,116	1926....	600,016,402
1921....	614,427,829	1927....	639,359,094
1922....	625,771,965	1928....	586,266,514
1923....	598,817,907	1929....	591,738,380
1924....	605,608,215	1930....	523,973,060
1925....	575,763,645	1931....	449,329,986

For the first nine months of this year more than 384,000,000 cigars less have been withdrawn for consumption than in the same period of 1930. In the twelve June months here recorded there is a decline of more than 229,000,000 cigars from the peak June of 1920.

If we were to concede that the continued decline is entirely due to economic conditions, which we do not, we do not see the economy of a general practice which has been estimated to be costing the cigar industry about $5,000,000 annually without improving the smoking qualities of the product or increasing its sales.

From fairly authentic sources we are advised that many cigar manufacturers would like to rid themselves of the expense of the transparent covering. Unfortunately, and it is unfortunate, severe sales losses would be incurred by any one manufacturer changing back to the cigar in its natural wrapper. But we fail to see any reason why any manufacturer cannot make the experiment in a small way provided he will stand the expense of some educational work.

The manufacturer need not abandon the transparent wrapper, but he can pack some part of his production in natural wrappers in boxes with cedar veneer sheets, or in a box in which some Spanish cedar has been introduced. Any such test can be made in a definite locality without any great expense, but provided that the manufacturer is going to print some educational matter on the loose flap of the box, or make some effort to attract public attention beyond merely shipping the merchandise.

Here is an excerpt from a letter from a smoker in Springfield, Ohio:

"Thusly contained, the old time, unwrapped, good cigars were of far better taste than today's product put in cellophane, paper or other containers.

"In this locality do not seem to be able to find any good cigars thusly put up, and should you happen to have contact with a cigar manufacturer thusly prepared to furnish myself and quite a few of my personal friends, would be very much interested in such information."

We quote from another letter from Coldwater, Ohio, and again it is a smoker with no interest beyond that of obtaining a satisfactory cigar:

"I still prefer the unwrapped cigar as the cellophane wrapped cigar seems to lack qualities found in the unwrapped type, undoubtedly due to the fact that cigars go through a sweating process better when unwrapped. This eliminates the bitter taste so frequently found in the wrapped cigar, due no doubt to nicotine gathering at the upper end.

"Personally I hope the time will come when at least all good cigars will be put up in boxes of twenty-five, and preferably the old style cedar box."

Our brief for Spanish cedar is based on the fact that when cigars are packed in containers using it in whole or in part, the cigars packed in natural wrappers smell and taste so differently from those with a trans-

(*Continued on Page 15*)

PHILADELPHIA.

A. & C. BRAND SHOWS INCREASE

FRANK LLANO, representative of the American Cigar Company, has been spending some time in Philadelphia, working in conjunction with the sales force of Yahn & McDonnell on "Antonio y Cleopatra" cigars, which brand has shown a gratifying increase in this territory as compared with sales for the same period of a year ago.

A new and attractive display panel has been prepared featuring this brand, and is being used extensively in cigar stores and stands with good results. This display panel contains a facsimile of a box of "Antonio y Cleopatra" cigars and the panel can be trimmed to fit various size spaces either in display windows or on the wall cases inside the store, without marring the effectiveness of the panel.

Samples of the new Christmas packing of "Antonio y Cleopatra" have arrived at Yahn & McDonnell headquarters, and are causing a great deal of favorable comment. The top of the package is covered with a reproduction of the old English Tallyho, lithographed in attractive bright colors, and the whole package is also wrapped in cellophane. This package is sure to attract the purchaser of high quality merchandise.

CONGRESS CIGAR EARNINGS

Congress Cigar Company reports for the quarter ended September 30, net profit of $34,557, equivalent to ten cents a share, as compared with profit of $463,070, or $1.32 a share in the same quarter of last year.

Earnings for the first nine months of 1931 are $386,006 after taxes and charges, which is equivalent to $1.10 a share. For the same period of 1930 earnings were $1,119,959, or $3.19 a share.

"La Palina"—America's largest selling high-grade cigar—and according to reports from headquarters, it is just that.

Holiday orders are coming in good volume and there is every indication for highly satisfactory business, with correspondingly satisfactory earnings under present conditions, for the balance of the year.

ANOTHER LANDMARK PASSES

With the passing of October, another well-known landmark of Philadelphia also passes. The old established pipe shop of E. Y. Sterner, 24 North Tenth Street, has discontinued business and fixtures were sold at auction on October 31st.

CHAINS DEMORALIZE PRICES HERE

INDEPENDENT retailers here were given a theoretical slap in the face last week when the United Cigar Stores and the Schulte Cigar Stores both posted large window sheets announcing that prices on all ten-cent cigars were reduced to eight cents each, two for fifteen and $3.70 for a box of fifty.

H. J. Moffett, vice-president of the United Cigar Stores Company, stated that the cut in price was necessary in order to meet competitive tactics initiated by a number of cut-rate drug stores recently opened in the Market Street section.

Coming as it does just at the time when independent retailers are looking forward to an increase in their sales and the chance to make a small profit, the situation is very disquieting. It is sincerely hoped that a general price war on all classes of cigars will not result.

C. L. PARSONS A VISITOR

C. L. Parson, vice-president of the Dawn Cigarette Company, manufacturers of the newly launched cigarette, which is lighted by simply drawing the especially prepared tip of the cigarette across a specially treated strip on the outside of the box, was in town last week and paid a visit at Yahn & McDonnell, local distributors for his brand.

William J. Stover, recently appointed factory representative for this territory on "Dawn" cigarettes, has been spending some time visiting retailers here during the past week with considerable success. The new cigarette is making a hit with the better class retail stores and has shown a steady increase in demand since being introduced here.

BAYUK CIGARS EARNINGS

Bayuk Cigars, Incorporated, reports net income for the three months ended September 30, of $169,241, after maintenance, repairs and estimated Federal income taxes, equal after the payment of preferred dividends and deductions for reserves, to two cents a share on 90,852 shares of common stock outstanding at the end of the period.

This compares with net income of $225,350 in the second quarter of 1931, equal to 77 cents a share on 91,559 shares common stock then outstanding, and with net income of $239,648 in the corresponding quarter of 1930, equivalent to 81 cents a share on 92,716 shares of common stock then outstanding.

"I have to be kind to my throat"

"I've tried several brands of cigarettes but I prefer Luckies. I smoke them regularly as I have to be kind to my throat. I learned this from my previous stage experience. **Your improved Cellophane wrapper is splendid. A flip of the tab and it's open."**

Kay Francis

MOISTURE-PROOF CELLOPHANE
Sealed Tight Ever Right
THE UNIQUE HUMIDOR PACKAGE
Zip— and it's open!

When **Kay Francis** left the stage and enlisted in the Hollywood army, pictures got a great recruit! The tall brunette beauty was a sound success on her film debut, and she's charged along to even bigger things. She is one of **Warner Bros.'** stars.

"It's toasted"

Your Throat Protection — against irritation — against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

★ Is Miss Francis' Statement Paid For?

You may be interested in knowing that not one cent was paid to Miss Francis to make the above statement. Miss Francis has been a smoker of LUCKY STRIKE cigarettes for 5 years. We hope the publicity herewith given will be as beneficial to her and to Warner Bros., her producers, as her endorsement of LUCKIES is to you and to us.

Copr., 1931, The American Tobacco Co.

C. A. PENN PASSES AWAY

CHARLES A. PENN, vice-president and a director of The American Tobacco Company, one of the outstanding tobacco experts in the United States, died October 22, 1931, aged sixty-three years, at St. Luke's Hospital, after a short illness. Mr. Penn was nationally recognized as one of the men who had contributed the modern technique of mass production and machinery to the tobacco field, and was directly concerned with the blending of the "Lucky Strike" cigarette, when it was originated in 1916.

As a mark of respect to him, Mr. George W. Hill, president of The American Tobacco Company immediately announced that the plants of the company would be closed until Monday. The funeral and burial were held Saturday, October 24, 1931, in Reidsville, North Carolina.

Mr. Penn was associated with the growth of the tobacco industry from his earliest youth, when as a boy in Reidsville, N. C., he became associated with his father, head of the F. R. Penn Tobacco Company. In 1912, his father's company was taken over by The American Tobacco Company and Mr. Penn came to New York, associated with James B. Duke, president of that company. With youthful enthusiasm and with the experience and with the technique gained in North Carolina, he immediately injected into the new company a modern attitude towards manufacture and was largely responsible for the growth and predominance of that company in that field.

After the dissolution of the old American Tobacco Company in 1912 Percival Hill became president of the new American Tobacco Company. Naturally Mr. Penn went with him in the new company and threw himself as energetically into his chosen work in the new company as in the old. He became vice-president of that company in 1916. Charles F. Neiley, also a vice-president of the company with whom he had been associated for years in this work, shared these manufacturing responsibilities with him at the time of his death, under George W. Hill, president.

When George W. Hill became president of the American Cigar Company in May, 1929, Mr. Penn was also made vice-president in charge of manufacture of that company and immediately developed the mass production of cigars along sanitary machine lines.

Mr. Penn was an indefatigable worker, tremendously interested not only in the mechanics and technique of tobacco products but also in the physical outlay and plant structure, as well as in the human beings who worked in them.

In his home city, Reidsville, North Carolina, Mr. Penn was as well known a figure as a patriarch was in the small Greek cities. He was the principal supporter of the Reidsville charities and the whole civic development of that city. In his idle moments, when he was not fishing, he was an unofficial "judge" of the negro population in that city.

Mr. Penn was regarded as an outstanding American expert on leaf tobacco and his assistants, whom he personally trained, were well known figures at the tobacco auctions held in the tobacco growing territory.

Mr. Penn was born on November 29, 1868 in Patrick County, Virginia, and was a decendant of William Penn, founder of Pennsylvania. He was educated at Bingham Military Academy, North Carolina. His family was an old Virginia family which moved into North Carolina when he was nine years old. He has a residence both in Reidsville, North Carolina, and 375 Park Avenue, New York City. Mr. Penn married Stella Edrington of Texas, in May, 1906, and who survives him. There are also four children surviving him, Edrington, Charles Ashby, Jr., Frank and Virginia Ann, who was presented at court last year.

SUMATRA TOBACCO WILL NOT BE BARRED

THE TREASURY ruled on October 31 that Sumatra tobacco would be admissible under the tariff law after January 1, when the provisions barring goods produced by indentured labor become effective.

The Treasury ruled that there was not enough of that grade of tobacco produced in the United States to satisfy the needs of the country.

Under the law, the provision affects only those goods made by indentured labor, of which a sufficient quantity is produced in this country to fill domestic needs.

Tobacco growers in Connecticut, Georgia, Florida and other sections had urged importation of Sumatra wrappers be barred. They testified that they could increase their acreage to produce enough tobacco to take care of the demand.

The Treasury held that the law did not contemplate future production possibilities, but governed only existing circumstances, and that, since there was not sufficient tobacco grown at present, the Sumatra wrapper could not be barred under its provisions.

Treasury officials recently were notified by Dutch interests that indentured labor had been done away with in Sumatra and that those grounds for barring Sumatra tobacco no longer existed.

Pennsylvania tobacco growers had urged continued entry of the Sumatra product, maintaining it was the only wrapper that would blend satisfactorily with filler tobacco grown in Lancaster and other counties of the State.

Senator Davis and Representative Kinzer, of Lancaster, protested against an embargo. They claimed the income of their tobacco crop, valued at $6,000,000, depended on the Treasury's decision.

They claimed, too, the five-cent cigar, more popular now than ever, would be threatened by a Sumatra embargo. Most of the Pennsylvania tobacco is used in the manufacture of that price cigar, which is wrapped with the imported leaf.

WAGNER TO SUPPLY BELLEVUE-STRATFORD STAND

I. B. White, manager of the cigar department of John Wagner & Sons, reports that Faber, Coe & Gregg, who have controlled the cigar stand in the Bellevue-Stratford Hotel here for more than ten years, have relinquished their control and John Wagner & Sons will supply the brands for that stand in the future.

Clarence Thompson, who has been in charge of the stand for a number of years, and who has a host of friends among the patrons of the stand, will continue in that capacity.

John L. McGuerty, United States representative for the "Romeo y Julieta" factory in Havana, was a visitor at John Wagner & Sons on Wednesday and reports business on his brand equal in every respect to that of last year, which is highly satisfactory under present conditions.

Something worth cheering about

If you really want to know how hugely enjoyable a fine cigarette can be, just try Camels in the Humidor Pack!

It isn't only that Camels are made of the choicest tobaccos—fine Turkish and mild Domestic tobaccos expertly blended. . . .

It isn't only that these fine tobaccos are cleaned by a special vacuum process that whisks away all the peppery dust.

It's that *all* the goodness of these fine, clean tobaccos — *all* the rare fragrance, *all* the delightful aroma — reaches you factory-perfect — prime, mild, *fresh!*

The Humidor Pack does that — seals within germ-safe, moisture-proof Cellophane *all* the natural freshness — seals it so tightly that wet weather cannot make Camels damp, nor drought weather make them dry.

So just try Camels—fine cigarettes kept fine — as a relief from stale, parched, dried-out cigarettes.

Then you'll see why millions of folks like you are finding the cool, smooth, throat-friendly pleasure of Camels something well worth cheering about!

Tune in CAMEL QUARTER HOUR featuring Morton Downey and Tony Wons — Camel Orchestra, direction Jacques Renard — Columbia System — every night except Sunday

Don't remove the moisture-proof Cellophane from your package of Camels after you open it. The Humidor Pack is protection against perfume and powder odors, dust and germs. Even in offices and homes, in the dry atmosphere of artificial heat, the Humidor Pack delivers fresh Camels and keeps them right until the last one has been smoked

CAMELS

Mild . . NO CIGARETTY AFTER-TASTE

©1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

BY A FIVE TO FOUR decision the United States Supreme Court on October 12th reaffirmed its verdict of last May upholding Indiana's chain store tax, thus further paving the way for similar enactments by other states.

The court's reaffirmation of the validity of the Indiana statute compelling chain stores to pay more for operating than independent firms was expressed in denying a plea that the high tribunal reconsider its affirmation of the lower court.

This plea was entered by Chester H. Jackson, as administrator for Lafayette A. Jackson, deceased, who brought suit claiming the statute is unconstitutional. The Jackson interests operate 223 stores in Indiana with a capital investment of $200,000 and annual sales of $1,000,000.

The case attracted wide attention because of the protests against the growth of the chains and by similar attempts at taxation in other states. In presenting the court's decision near the close of the last term, Associate Justice Roberts declared that the case hinged upon the power of the legislature to classify business, so long as its action is not unreasonable and arbitrary. He took the view that there is enough difference in chain stores and independent units to justify the Indiana law, with Chief Justice Hughes, and Associate Justices Holmes, Brandeis and Stone agreeing with him.

A dissenting opinion holding the law discriminatory was given by Associate Justice Sutherland in which Justices McReynolds, Vandevanter and Butler concurred. By the same line-up the court acted in passing on the motion of a rehearing.

The highly controversial character of the discussion as to the susceptibility of the chain stores being singled out for the levying of special taxes was again reflected by the five to four decision of the Supreme Court. By this slight margin of one vote, the high court disregarded the contention of the petitioners that the decision rendered by the same division last term establishes "a dangerous principle which strikes at the future progress and growth of American business, wholesale and retail."

Under the Indiana law the individual tax upon independents is $3 per annum, there being added for each additional store where the number does not exceed five a tax of $10. Upon each store in excess of five, but not to exceed ten, the annual license fee is fixed at $15 for each such additional store; upon each store in excess of ten, but not to exceed twenty, the additional tax is $20 per store, and upon each store operated in excess of twenty the fee is placed at $25.

Under this scale the Jackson interests were compelled to pay $5443 although they complained there are several stores in Indianapolis doing a much larger business that only pay a tax of $3 per annum.

The Jackson interests charged that the graduation of the tax per store according to the number of stores under a single ownership and management is based on no real difference between a store part of such a group and one individually and separately owned and operated, or between the business transacted in them. They contended that the number of stores conducted by one owner bears no relation to the public health, welfare, or safety, nor to the size of the enterprise as a whole, to its capital, its earnings or its value. They asserted further that the classification made by the statute is without basis in fact, is unreasonable and arbitrary and results in depriving them of their property without due process and denying them the equal protection of the laws.

The Indiana State Board of Tax Commissioners, in defending the law, stood upon the power of the legislature in prescribing an occupation tax, to classify businesses, so long as its action is not unreasonable and arbitrary.

Tax Increase Not Probable at Next Session

Predicting that Congress would not vote any increases in taxes during the coming session, Senator George H. Moses of New Hampshire, following conferences with President Hoover regarding present conditions, believes that the way to meet the anticipated Treasury deficit of $1,500,000 for the current fiscal year is through Government economies so far as possible. Congress, the Senator declared, is not likely to reach a vote on tax legislation before it is time to adjourn for the national conventions.

"I know of nothing new on the Federal taxation situation," Mr. Moses asserted. "I do not think that anyone who would have any responsibility in the matter is in favor of tax revision. I do not believe there will be any tax legislation at this session. What alternative is there to taxation? The President is finding the alternative in his economy program. If all the activities of the Federal Government are cut as much as the naval budget has been reduced, there would be enough by Government economies."

Flat Rate Increase Denied Railroads

Charging the railroads with responsibility in large part for their present financial condition the Interstate Commerce Commission on October 20 denied the application of the carriers for a flat 15 per cent. increase in freight rates.

Instead, the Commission has worked out a plan of limited advances designed to give the railroads an

(*Continued on Page 14*)

New Internal Revenue Department Ruling

The statutes with reference to the manufacture of cigars apply alike to the manufacture of cigarettes. A person may make cigars or cigarettes for his own consumption without incurring liability under the internal revenue laws, provided he does not make them within the bonded premises of a cigar or cigarette factory or on premises where such articles are sold, and neither sells nor gives away such cigars or cigarettes. (Art. 62, Regulations 8).

Excerpt from ruling of Commission of Internal Revenue, No. 3907, October 9, 1931

DOES *NOT* PREVENT SALE OF TARGET ROLLING MACHINES

To comply with new ruling, Target Machine demonstrations will continue stronger than ever, using a demonstrating material other than tobacco.

THE newspaper reports of this new ruling have caused such great confusion among smokers that, in the interest of our dealers who are profiting by the sale of Target Cigarette Tobacco and Target Rolling Machines, as well as for our own protection, we are publishing these facts.

This ruling does not affect in the slightest the privilege of any smoker to roll cigarettes for his own consumption, either by hand or with a Target Cigarette Rolling Machine, in his home, his office or *anywhere* outside of a place where tobacco is manufactured or sold.

We shall comply with this ruling as follows:

Our Target demonstrators who happen to be located in a place where tobacco is sold, will use *some other material than tobacco* to show how easily and quickly cigarettes can be rolled with the Target Rolling Machine. Cigarettes so made for demonstration are of course not smokable, but our demonstrators will offer customers sample cigarettes made in our bonded factory on a Target Machine with Target Tobacco on which the Internal Revenue Tax has been paid. We shall also have posters displayed at these demonstrations explaining the new ruling and our reasons for using demonstrating material other than tobacco.

The great public appreciation of Target Cigarette Tobacco and the Target Machine is evidenced by the fact that sales to customers have been immediate and heavy, and have continued to increase wherever the brand has been introduced. To those dealers located in territories where Target has not yet been distributed, we urge—please be patient. We shall be ready to supply you soon.

DEALERS:—GET THIS!

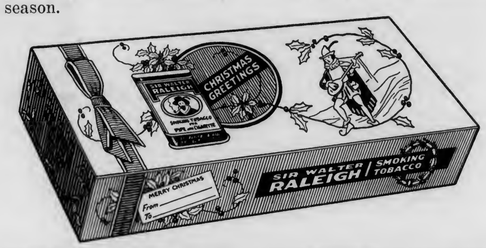
The United States Government tax on 20 cigarettes amounts to 6¢. On 20 cigarettes rolled from Target tobacco the tax is just about 1¢. And where there is a state tax on cigarettes, your customers save just that much more! No wonder dealers are pushing Target.

BROWN & WILLIAMSON TOBACCO CORPORATION, Louisville, Ky.

Sir Walter Raleigh Christmas Packings

On the left is pictured the one-pound Christmas package of "Sir Walter Raleigh" smoking tobacco which bears every evidence of enjoying a tremendous sale. The one-pound canister is enclosed in an octagon-shaped box beautifully lithographed in appropriate colors.

Below is pictured a Christmas packing containing six of the two-ounce tins packed in a lithographed package especially for the holiday trade, and this package has already made a hit with the trade, which means that it will prove an unusually heavy seller during the Christmas season.



SUMATRA EMBARGO STILL IN DOUBT

THE decision in regards to the possible embargo on Sumatra tobacco after January 1, 1932, is still being withheld by officials at Washington, and it is reported that the renewed investigation of the domestic wrapper situation, undertaken a few weeks ago, has not been completed.

An appeal against the embargo on Sumatra tobacco was carried on Monday to Under-Secretary Mills, of the Treasury, by Representative Kinzer, Republican, of Lancaster, Pa.

Mr. Kinzer on behalf of Lancaster County tobacco growers, asked Mr. Mills to decline to apply the clause of the Tariff Act prohibiting importation of materials produced by indentured or convict labor to tobacco wrappers grown in the Dutch East Indies Colonies. The provision becomes effective January 1, 1932.

Such an embargo, Mr. Kinzer said, would be "a very serious blow" to tobacco growing farmers of his district and the rest of the State. He maintained that no other wrapper blended so well with the filler grown in Lancaster County.

The Sumatra growing companies have announced their decision to hold an inscription for their tobaccos on December 10th this year, at which will be offered for sale about 10,000 bales of new crop Sumatra tobacco suitable for the American trade, and it could thus be rushed to this country in time to arrive before January 1st, should an embargo against its importation be laid down, effective as of that date.

NEW DIRECTORS FOR AMERICAN TOBACCO COMPANY

The American Tobacco Company has recently elected to the board of directors, Frank V. Riggio, sales manager; William E. Witzieben, advertising manager; Fred B. Reuter, assistant auditor, and John A. Crowe, assistant to the vice-president in charge of manufacturing. They succeed J. K. Fletcher and Arthur C. Mower, both resigned, and William E. Stocks and Charles S. Keen, both deceased.

BAYUKS AWARDED DECREE AGAINST JOBBER

A DECISION which meets with the hearty approval of the trade was handed down on October 13th in Berks Equity Court by Judge Schaeffer, in favor of Bayuk Cigars, Incorporated, and restraining the defendant, William Gross, a cigar jobber, of Reading, Pa., his employees and servants from "representing that any cigars sold by him under the name Philadelphia Perfecto, or Philadelphia Hand-Made, or Philadelphia, other than those manufactured by plaintiff, are plaintiff's products or Bayuk Cigars or Bayuk Philadelphia cigars."

The defendant is also restrained from selling any cigars known as Philadelphia cigars, unless the boxes in which they are contained and the bands wrapped around same are dissimilar to those used by the plaintiff as to clearly indicate that they are not the cigars manufactured by the plaintiff.

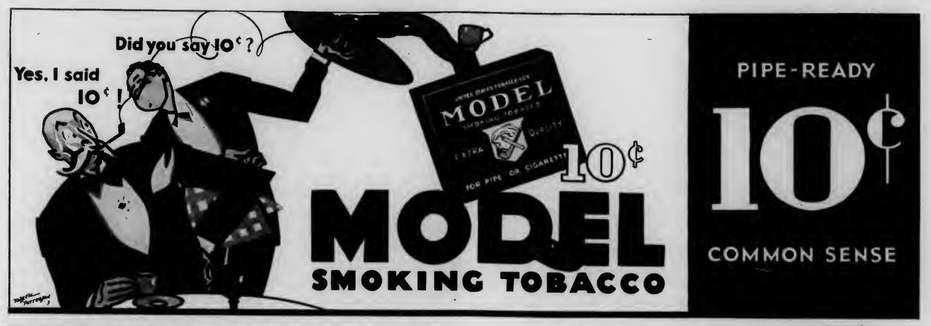
The defendant is also restrained from selling cigars in packages bearing the name "Phillies," other than the cigars manufactured by the plaintiff, or offering for sale cigars bearing copies of the label used by the plaintiff or labels similar thereto, or from offering for sale any cigars upon which bands are similar to those used by plaintiff other than cigars manufactured by the plaintiff.

The defendant was ordered to pay the costs of the trial.

CONGRESS OFFICIALS IN HAVANA

James M. Porter, president of the Congress Cigar Company, accompanied by William E. Waterman, member of the board of directors, and Ben Schwartz, vice-president, sailed on Saturday on board the S. S. Orizaba for Havana, where they will spend several weeks looking over the leaf market there for their various interests.

Mr. Porter is also president of the Porto Rican-American Tobacco Company, and vice-president of Waitt & Bond, Incorporated, while Mr. Waterman is chairman of the board of the Porto Rican-American and president of Waitt & Bond, Incorporated.



WAGNER TO DISTRIBUTE NEW "CONDOSSIS"

JOHN WAGNER & SONS, Dock Street distributors, have been appointed exclusive distributors for their territory (Eastern Pennsylvania; Southern New Jersey and Delaware) for the new cigarette manufactured by A. D. Condossis, maker of high grade private brand cigarettes, and launched under the family name of "Condossis."

Three different sizes and blends of the new cigarette will be placed on the market—"King Condossis" full size (twenty-five cents for ten, and all Turkish tobacco); "Prince Condossis" medium (fifteen cents for ten, and also all Turkish tobacco), and "Count Condossis" (twenty cents for twenty, and blended of Virginia and Turkish tobaccos).

The style of the package is identical on all three blends but the coloring is different. The packages are cellophane wrapped and distinctive in appearance, and have been well received by the trade. A most gratifying volume of orders has been received, and the high quality of the cigarette assures a steady repeat business.

Realizing that sampling is the best method of getting a new product before the most people in the shortest period of time, and also that it is a great factor in establishing consumer demand, and thereby aiding the retailer, the Condossis Tobacco Corporation has launched such an advertising campaign among the socially prominent.

A box containing a package of each of the new brands is delivered direct to each person on a selected list, and an engraved announcement is included in the box on which appears the name of the recipient and the name of the sender written in by hand. A booklet is also included setting forth the story of "Condossis" cigarettes, which stresses the point that now the largest maker of private brands for the country's leading hotels and clubs offers his finest brand under his own name.

The advertising campaign is under the direction of Mark O'Dea & Company, New York advertising agency, which agency has been instrumental in directing the advertising of one of the big four cigarette brands. High class magazines will be used for the present including, *The Chicagoan, Harpers Bazaar, The New Yorker, Park Avenue Social Review, Town and Country* and other magazines of a like nature.

The "King Condossis" is packed in tens, fifties and one hundreds; the "Prince Condossis" in tens, twenties, fifties and one hundreds, and the "Count Condossis" in twenties and fifties.

James Clark, representative of the Condossis Tobacco Corporation, has been spending a few days in town visiting the retailers and sizing up conditions in this market.

The brands have already been launched in several parts of the country with marked success, including New York City and Boston.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

WEBSTER EISENLOHR REPORTS

Webster Eisenlohr, Incorporated, reports net profit for the third quarter of 1931 of $26,354, as compared with a net loss of $126,729 in the previous quarter, and profit of $49,840 in the third quarter of 1930.

DIVIDENDS FROM PENNIES

WHAT do you get when you buy Christmas seals? Most obviously, of course, you receive little pieces of paper which you stick on letters and packages during the holiday season, both as an expression of good-will toward humanity, and an example to induce others to buy them.

But there is something else you get which is shared by all—and that is improved community health, which, to get right to the point, means you have a greater chance to live a longer life.

Seals are sold to fight tuberculosis. This disease is still the arch-enemy of man, killing more people between the ages of fifteen and forty-five than any other ailment. Each year sees a falling death rate from this cause, and there is every reason to expect this record of success to continue in the future, if the pennies of the public do not fail in supporting the warfare against the scourge. But the battle has not yet been won by any means.

It is imperative to continue the work which the Christmas seal has been doing. Unknown tuberculosis cases must be ferretted out and placed under care in the early stages; children who already show evidence under the X-ray that they are candidates for active disease a few years hence must be found and safeguarded; summer camps and clinics in many places need support; public health nurses are required in others. These things and many others the Christmas seal penny helps to do. Foremost, perhaps of its achievements, is the campaign of general education which is ceaselessly waged to inform the public of the nature of the disease; how it spreads by contact from the sick to the well; how the sick must be discovered and the contact broken. Getting patients under treatment in sanatoria is important, but the greatest advance against the disease is along preventive lines. By raising the standard of popular knowledge people are enabled to protect themselves, advancing the arrival of the day when sanatorium care will be unnecessary.

Tuberculosis in the United States wipes out the equivalent of a medium-sized city every year. It has been estimated that to endure the disease as it now exists for the next twenty years would cost the nation more than twenty billion dollars. In the last twenty years education and sanitation have combined to cut the death-rate in two.

Will the public continue to give the pennies, the dimes and the dollars needed in the next twenty years to abolish tuberculosis, or will it allow tuberculosis to take from it twenty billions of dollars and hundreds of thousands of lives? That is the challenge which the nation answers every Christmas, when everybody, rich and poor, buys Christmas seals.

"OLD GOLDS" NOW IN 12S PACKING

LAST WEEK the P. Lorillard Company issued a bulletin to the trade announcing that they were now in a position to accept orders covering shipment of "Old Gold" cigarettes 12s packages (cellophane wrapped) for immediate shipment. The new packing comes one dozen packages in a carton and in shipping containers of sixty cartons, or five gross packages (8640 cigarettes), at ninety-six cents a dozen, less the usual trade discount.

The new package is a slide and shell pack and will meet a ready demand for this size and style of packing for those who are light smokers and also for those who have found it necessary to curtail their smokes.

"Old Gold" cigarettes have now been on the market for more than five years, and during that time they have shown a steady growth in demand, with excellent prospects of a continued increase for a long time to come.

CLAIM AGAINST SCHULTE-UNITED DENIED

In a decision upholding Harold P. Coffin, referee in bankruptcy, Federal Judge William Bondy, in New York, wiped a claim from the list of contingent liabilities of Schulte-United, Incorporated, on Tuesday.

The claimant, Aaron Hurwitz, of Wilkes-Barre, Pa., is owner of a building at 51-55 South Main Street, Wilkes-Barre, which the corporation leased on September 1, 1929, for a period of twenty-five years, the initial rental being $46,509 per annum, and the annual rental being increased step by step until 1954, when the maximum of $68,250 per annum was to be paid.

The tenant also was to pay taxes, water rents, insurance, and for heat and electric lights, and to keep the premises in good condition.

D. EMIL KLEIN EARNINGS

Net profit of D. Emil Klein Company, manufacturers of "Haddon Hall," "Nottingham," "Emanelo" and other well-known brands, for the nine months ended September 30, 1931, was $241,000 after charges and taxes, as compared with $244,848 for the first nine months of 1930.

The D. Emil Klein Company has declared the regular quarterly dividends of twenty-five cents on the common stock payable January 2, 1932, to stockholders of record December 21st, and $1.75 on the preferred stock, payable November 2d to stockholders of record October 21st.

SEPTEMBER CIGAR AND CIGARETTE PRODUCTION

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of September, 1931, and are issued by the Bureau. (Figures for September, 1931, are subject to revision until published in the annual report):

Products		—*September*—	
		1930	*1931*
Cigars (large):			
Class A	No.	326,939,555	328,759,610
Class B	No.	35,262,457	6,865,036
Class C	No.	151,197,090	105,408,076
Class D	No.	9,261,319	7,568,748
Class E	No.	1,312,639	728,516
Total		523,973,060	449,329,986
Cigars (small)	No.	35,854,493	33,730,013
Cigarettes (large)	No.	549,900	455,750
Cigarettes (small)	No.	10,190,030,560	9,695,138,683
Snuff (mfd.)	Lbs.	3,230,222	3,669,531
Tobacco (mfd.)	Lbs.	28,936,026	29,608,681

Note: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid Products From Porto Rico for the Month of September

Products		—*September*—	
		1930	*1931*
Cigars (large):			
Class A	No.	12,786,450	10,580,950
Class B	No.	481,000	278,000
Class C	No.	1,444,400	477,250
Class D	No.	3,500	5,500
Total		14,715,350	11,341,700
Cigars (small)	No.	.....	500,000
Cigarettes (large)	No.	400,000	200,000
Cigarettes (small)	No.	2,010,000	2,000,000

Tax-paid products from the Philippine Islands for the month of September.

Products		—*September*—	
		1930	*1931*
Cigars (large):			
Class A	No.	15,911,700	16,479,760
Class B	No.	165,823	220,216
Class C	No.	72,676	50,326
Class D	No.	.....	500
Class E	No.	8,730	300
Total		16,158,929	16,751,102
Cigarettes (small)	No.	238,080	64,240
Tobacco (mfd.)	Lbs.	115	92

Note: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the September Statement of Internal Revenue Collections

Objects of taxation.	*First Three Months Fiscal Year*	
	1931	*1932*
Tobacco manufactures:		
Cigars	$5,065,171.17	$4,156,151.86
Cigarettes	97,894,061.38	89,756,637.27
Snuff	1,696,972.52	1,779,112.98
Tobacco, chewing and smoking	15,316,273.38	15,412,276.61

P. LORILLARD CO., INC.
119 West 40th Street
New York City
Respectfully invite your attention to the Christmas packing of their products as follows:

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR
JAVA WRAPPED
The Secret of the Blend
CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PHIL M. PHULOFAX HOME AGAIN FULL OF VALUABLE INFORMATION

TELL, here am I home again. And, take it from me, I'm sure glad to be back."

The speaker was Phil M. Phulofax, D. B. I., associated with Bayuk Cigars, Incorporated, whose sales messages to cigar retailers appear regularly in the advertising pages of this magazine.

"My desk's piled so high with work that you can't see the wood for the leaves," Mr. Phulofax added with a sweeping gesture toward a towering mass of papers, "but I'm never so busy that I'm not ready and willing to stop and send along a few greetings to my old friends among the cigar retailers in this good old country of ours.

"I'm more than commonly glad right at this particular time to speak my little piece because I've got something pretty important on my chest that I want to get off.

"As you fellows know, I've just recently wound up my annual coast-to-coast tour finding out all I can about the retail cigar business. I got so much good dope that when I got back to the office and tried to put it all into usable shape, I just literally didn't know where I was at. Didja ever see a five-pound bass floundering around in two inches of water? Well, that was me!

"But when I did get my head up long enough to get a breath of air, there was one thing that even a fish eye could see without looking twice. That is that in spite of the fact that some high flyers and fancy spenders aren't putting on their old acts of seeing how fast and furious they can throw their cash around, this here now country of ours isn't in danger of doing any blow-up-and-go-bust stunt. Not by a dash-dot-dash sight!

"Sure, people are counting their pennies. Most of us fellows who work for a living always have had to, more or less, for that matter. Some of us are having to do it a bit more than we used to. But we're still spending money for things we want—and we'll go right on doing it. Human nature's built that way.

"Only—we want more for our money than we used to. Any old thing won't do. What we want is better value—better service. And that's what the wise cigar retailer is giving his customers nowadays.

"Take my case—and mine is like everybody else's, when you come right down to it. I've 'retrenched,' as you might say, this past year. On shows, for example.

"I like to see a good show now and then. Time was, when I had an idle evening, that I'd drift into the first theatre I came across, pay any price they asked me for seats, and take whatever they gave me, all without knowing the first thing about what I was going to see.

"Nothing like that for me now, though. When I go to see a show, it's because I really want to see one. And I want to know beforehand whether or not it's a good show; whether it's going to be something I'm likely to like; how much the seats are; and where they are. No buying sight unseen for me any longer.

"And that's exactly what your cigar customer is doing when he comes into your store. He's there because he wants a cigar, and he wants a good one. He wants to know something about it, and whether it's likely to suit his taste. He's giving up good money for it, and he's in no mood to have it shoved under his nose with any take-it-or-leave-it air.

"Bearing this thought in mind and applying it as a measuring stick to all you have to sell, tangible and intangible, see if your customers won't give your policy three rousing cheers and a tiger in the shape of a flock of sales that you can't begin to get in any other way."

News from Congress

(Continued from page 8)

annual additional income of $100,000,000 to $125,000,000, but limited to the period to March 31, 1933, although provision is made for a continuation beyond that date subject to the then prevailing conditions. This is equivalent to from 3 to 4 per cent. of the freight revenue, estimated as merely enough to meet fixed interest charges if pooled among the most needy roads and thus to avoid receiverships.

Any increase to be granted under the Commission's plan would be conditioned on the submission by the carriers on or before December 1 of a plan for pooling the increased revenues among the roads for distribution in proportion to their deficiency under the amount needed by each, respectively, to meet interest charges.

In place of the railroads' plan for a percentage increase, the Commission reaffirmed its belief that the fair return clause should be modified and suggested to the railroad executives a plan for temporary increases on specific commodities—excepting most agricultural products—with a maximum of 10 per cent. This plan the railroads would have to make their own and resubmit it to the Commission to be made effective.

Increases of one per cent. per 100 pounds on less-than-carload shipments are proposed on a number of fruits and vegetables, petroleum products, cement, fertilizers, turpentine and rosin.

On all other commodities increases of two cents per 100 pounds are proposed, not to exceed 10 per cent. and subject to certain other restrictions. In the case of less than carload freight, no increase is proposed for short hauls and for hauls of from 175 to 250 miles the increase is limited to one cent per 100 pounds. If the rates are quoted in dollars per car and the increase proposed is one cent per 100 pounds, the increase would be $7.50 per car, and if two cents per 100 pounds the addition would be $10 per car.

A 15 per cent. increase in rates "would harm rather than help the railroads," the Commission concluded, but it advised the roads to have their traffic officers make a study to ascertain which rates should be increased and which rates should be reduced in order to produce a greater revenue with the statement that "it is quite likely that there are now many rates which will produce more revenue if they are reduced."

The brunt of the rate increase, if effected, will be borne by manufactured goods, products of mines, animal products and numerous classes of miscellaneous freight.

GRIFFIN OUT OF MAYORALTY RACE

Although the many friends of Fred Griffin, well-known figure in the Connecticut Leaf Tobacco industry, have been urging him to run for Mayor of Hartford at the coming election, and movements boosting his candidacy have been launched, Mr. Griffin definitely decided he "did not choose to run" when he endorsed another candidate last week for the office. He has, however, announced his willingness to accept the nomination for alderman-at-large.

ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf cased with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY

139 North Third Street, Philadelphia, Pa.

Editorial Comment

(Continued from Page 3

parent covering, that no discriminating smoker can deny the superiority in smoking qualities and fragrance of the cigar in its natural wrapper.

We recognize the fact that no cigar manufacturer can afford to immediately discontinue the transparent wrapper in the face of its favorable reception by the smoker, and the fact that his competition would profit by it.

But we do not concede the fact that it is not possible to educate the public by gradual stages to the fact that a cigar tastes better in its natural wrapper because when packed in Spanish cedar, or any suitable wood in combination, it ripens and becomes a more satisfactory smoke. Incidentally it might increase sales.

It must be admitted that the discriminating smokers are in the minority, but that does not assume that more discriminating smokers cannot be created by educational effort.

If there is very little profit in the five-cent cigar would it not be more profitable to educate the public to the higher grades with a larger profit on a naturally reduced production?

Of course we are no doubt looked upon as is the old maid who insists on telling her married friends how to raise their children.

On the other hand, we have convincing evidence from discriminating cigar smokers that there is a great difference between cigars in their natural wrappers, and those in the non-porous covering. Apparently, however, such smokers are in a minority to a degree that their feeble protests make no impression.

The fact remains that an annual investment of several million dollars in this transparent covering is adding nothing to increased cigar sales, to the popularity of cigars, or to cigar company earnings. And when all is said and done the object of a business investment is to make a reasonable profit from it.

JOE WILSON VISITING THE TRADE

Joe Wilson, "Cortez" representative has been making the rounds of the trade during the past week and gathering in some nice orders. Joe reports business on the "Cortez" brand as quite up to expectations and every indication for excellent demand for the holiday season.

TARGET WILL CONTINUE DEMONSTRATIONS

GEORGE E. GARY, vice-president of Brown & Williamson Tobacco Corporation, stated that the Treasury Department's new ruling No. 3907 prohibiting the demonstration of cigarette making machines in shops and in other sales premises except in registered tobacco factories, will not interfere with the promotion of Target tobacco by demonstrations of the Target cigarette-rolling machine.

"It is our purpose to abide by the letter of the new ruling, although the article quoted (Art. 62—Regulations 8) by strict interpretation, prevents anyone from rolling a cigarette *either by hand or by machine* in a place where cigars or cigarettes are sold, a technicality which every roll-your-own smoker has violated for years," said Mr. Gary.

"Our plans call for a more intensive program of demonstrations of the Target roll-your-own machine than every before, but in order to comply with the Treasury Department's new ruling we will use a demonstrating material other than tobacco. It is a simple matter to demonstrate the easy method of rolling cigarettes with the Target machine without using actual tobacco.

"In extending our demonstration program we will, as heretofore, continue to sample tax-paid cigarettes made in our Louisville factory of Target tobacco and on the Target cigarette machine. These sample cigarettes will be made available in every store where demonstrations are being held. We also intend to have posters displayed wherever demonstrations are being held, explaining the new ruling and our reasons for using a demonstrating material other than tobacco in the demonstrations.

"This ruling will not restrain the public from rolling their own cigarettes either by hand or on the rolling machine. They know they can, by the use of Target machine, get as good a cigarette as any ready-made for half the price. The public appreciates this, as is evidenced by the fact that sales of Target tobacco have continued to increase wherever the brand has been introduced."

GRABOSKY VISITS LEAF MARKETS

Louis Grabosky, of Grabosky Brothers, Incorporated, manufacturers of the "Royalist" cigar, paid a visit to Hartford and New York City leaf tobacco markets last week.

DUTCH MASTERS CONTEST WINNERS VISIT PHILADELPHIA FACTORY

TWENTY-FIVE representative men from nine states have scattered back to their homes to tell friends of how they had "the time of their lives" as members of the Dutch Masters World Series Party, given by the Consolidated Cigar Corporation, maker of "Dutch Masters" cigars. Many an interesting yarn they will have to tell, and many an envious listener will wish he had sent in a winning advertisement in the Dutch Masters contest that offered such alluring prizes.

When long winter evenings draw friends together indoors, these world series fans—now "Dutch Masters" fans!—will repeat with gusto the choice anecdotes of their trip. They will tell of a rollicking party of twenty-five chance acquaintances who became interesting friends. Of special Pullman cars. Of hotel service befitting a party of Lindberghs. Of police escort to the ball parks and a uniformed drum major to lead them to the stands! What "Lefty" Grove said when presented with a supply of "Dutch Masters" cigars, will be chuckled over again. And the world series games will be played over once more from the first nerve-tingling "Play Ball!" of the opening game, right through to the moment "Pepper" Martin's catch in center field made the final put out and brought the Cardinals home in front!

While in Philadelphia, the "Dutch Masters" party had the opportunity of seeing the inner works of a modern cigar factory. For several interest-packed hours they watched the transformation of baled leaf tobacco into rich, satisfying cigars. They saw for the first time the painstaking care, the expert knowledge, the subtle art back of the cigars they smoke but knew little about. And to a man they have gone back to their homes filled with new respect and admiration for the makers of cigars and their products. These contest winners have become something more. They are also witnesses to the integrity and importance of the cigar industry, and their influence in their communities cannot fail to have a wholesome effect in combating the ridiculous charges of uninformed persons.

Perhaps a paragraph from the letter of one of these men, supplied by the Consolidated Cigar Corporation, will illustrate this point:

"The visit to your factory is cherished as one of my most interesting and delightful memories. The care and preparation of the raw product and the uncanny working of those machines have been a constant table topic and parlor theme since I returned. Too bad that every smoker in the country could not have shared our opportunity of seeing a modern cigar-making plant in operation. He would acquire a new respect for the wealth of thought and experience and mechanical genius that comes across the counter in exchange for his dime!"

The cigar industry needs and deserves more of this kind of intelligent publicity.

NEW DIRECTOR FOR AMERICAN SUMATRA

Bradford Norman, Jr., vice-president of the Commercial National Bank and Trust Company of New York, has been elected a director of the American Sumatra Tobacco Corporation to fill a vacancy on the board.

NINE MONTHS WITHDRAWALS FOR CONSUMPTION

	First 9 Mos. Cal. Yr. 1931		*— Decrease + Increase Quantity*
Cigars:			
Class A—U. S. ..	2,767,442,100	+	85,628,565
P. R. ..	107,000,955	+	8,236,960
P. I. ...	119,537,960	+	8,223,680
Total	2,993,981,015	+	102,089,205
Class B—U. S. ..	149,440,980	—	156,249,396
P. R. ..	1,491,750	—	1,809,580
P. I. ..	993,520	—	411,433
Total	151,926,250	—	158,470,409
Class C—U. S. ..	1,014,513,196	—	289,220,494
P. R. ..	3,748,730	—	6,977,294
P. I. ..	371,448	—	414,072
Total	1,018,633,374	—	296,611,860
Class D—U. S. ..	64,075,695	—	21,503,606
P. R. ..	39,100	+	18,100
P. I. ..	3,740	+	1,562
Total	64,118,535	—	21,483,944
Class E—U. S. ..	7,060,203	—	3,631,339
P. R. ..	1,500	—	100
P. I. ..	5,281	—	30,229
Total	7,066,984	—	3,661,668
Total All Classes:			
U. S. ..	4,002,532,174	—	384,976,270
P. R. ..	112,282,035	—	531,914
P. I. ..	120,911,949	+	7,369,508
Grand Total ..	4,235,726,158	—	378,138,676
Little Cigars:			
U. S. ..	275,365,627	—	27,008,332
P. R. ..	6,000,000	+	1,000,000
P. I. ..	.....		.....
Total	281,365,627	—	26,008,332
Cigarettes:			
U. S. ..	89,347,372,227	—	2,704,100,594
P. R. ..	9,030,000	—	528,640
P. I. ..	1,458,030	—	809,190
Total	89,357,860,257	—	2,705,438,424
Large Cigarettes:			
U. S. ..	4,306,882	—	1,567,770
P. R. ..	1,385,000	—	1,025,400
P. I. ..	1,700	+	1,700
Total	5,693,582	—	2,591,470
Snuff (lbs.):			
All U. S.	30,544,318	+	346,261
Tobacco (mfd.):			
U. S. (lbs.)	249,907,416	—	3,955,380
P. I. (lbs.)	878	—	799
Total	249,908,294	—	3,956,179

PENNSYLVANIA CROP LARGEST EVER

THE Pennsylvania Federal-State Crop Reporting Service reports the tobacco crop in Pennsylvania is curing nicely and quality promises to be exceptionally good in most respects. Rust caused some of the growers to harvest their crops prematurely. The yield will be one of the highest ever secured in this State.

Weather conditions in the United States during September were generally favorable for the development of late tobacco and unusually favorable for harvesting and curing of the early crop, which is nearly completed in the main producing areas.

Among cigar tobaccos, the production of filler types is estimated to be 90,206,000 pounds, or about 12 per cent. more than the 1930 crop, while the production of binder types is estimated to be 85,395,000 pounds, representing a decrease of about 9 per cent. from last year's production. Production of the wrapper types is expected to be considerably below last year's, the present estimate being 8,519,000 pounds, compared with 11,696,000 pounds harvested in 1930.

Estimated production by States is as follows:

State	*Oct. 1, 1931 forecast 1000 lbs.*	*Harvested 1930 1000 lbs.*
Massachusetts	9,880	11,695
Connecticut	28,994	32,105
New York	1,040	760
Pennsylvania	57,772	39,372
Ohio	53,962	53,214
Indiana	18,823	11,382
Wisconsin	47,286	52,900
Minnesota	2,760	2,875
Missouri	6,142	5,221
Maryland	33,000	19,040
Virginia	114,112	111,776
West Virginia	6,044	5,040
North Carolina	496,760	584,000
South Carolina	74,120	96,250
Georgia	59,553	104,610
Florida	7,950	11,188
Kentucky	504,937	372,151
Tennessee	137,330	127,160
Alabama	405	560
Louisiana	122	138
United States	1,660,992	1,641,437

REYNOLDS ASSISTS WIFE'S DIVORCE

Ann Cannon Reynolds has taken up her residence near Reno recently for the purpose of securing a divorce from her husband, Smith Reynolds, nineteen-year-old son of the late tobacco magnate.

Mrs. Reynolds arrived in Reno on October 5 it was learned recently, accompanied by her husband, who after seeing that she was comfortably settled and details of her divorce arranged, returned to their southern home.

Reynolds was only seventeen and his wife nineteen when their marriage in November, 1929, united two of North Carolina's wealthiest young people.

It was indicated that Mrs. Reynolds would receive a small monthly allowance which will be increased several years hence when her husband comes into his full share of the estate of his father and mother.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

FOR RENT

OFFICE AND FLOORS FOR CIGAR MANUFACTURING OR STORAGE—No parking restrictions; good location; low rent; freight elevator and loading platform. Will divide. Metals Coating Company of America, 495 North Third Street, Philadelphia.

HAVANA CIGARS

OLD-ESTABLISHED CIGAR MANUFACTURING FIRM OF Hand-Made Havana quality cigars, offers fine Havana cigars in any quantity to discounting dealers, at profitable prices. Satisfaction absolutely guaranteed. If interested in first and repeated profits, address for particulars "Fair Dealing," Box 1168, Tampa, Fla.

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

SOMETHING NEW IN COLLECTION TACTICS

OUT IN Marceline, Mo., Dr. Ola Putman, surgeon, finds a puzzle in the attitude of clients toward his program for abatement of doctor bills.

A week ago Dr. Putman proposes to end a prolonged moratorium on debts of about $36,000 by cancelling some bills and deducting $10,000 from the total owed by those who were pressed but could pay.

Dr. Putman started by forgiving seventy-five of his debtors publicly in the columns of the weekly Marceline News. He forgave each by name, mentioning the amount of the debt and announced that three more groups were to benefit, one each week.

"Out of all those seventy-five persons," the surgeon commented, "only one has thanked me. I see no reason why all of them shouldn't thank me, do you?"

Oh, yes—a few of the overdue accounts have been paid since the list was published—just a few.

FREDERICKSON CHAIRMAN OF AMERICAN COLORTYPE

Charles R. Frederickson has been elected chairman of the executive committee and general manager of the American Colortype Company, which recently acquired the Moehle Lithographic Company, Incorporated.

George W. Reynolds continues as chairman of the board of directors, and Edwin Lennox continues as president.

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

SAM 'N ANDY:—45,953. For all tobacco products. October 5, 1931. S. C. Kling Co., York, Pa.

ADSDEAN:—45,955. For all tobacco products. October 16, 1931. George Schlegel, Inc., New York, N. Y.

TRANSFERS

LIBERTY BOND:—40,221 (T. M. A.). For all tobacco products. Registered May 7, 1917, by American Litho. Co., New York, N. Y. Through mesne transfers acquired by Ralph L. Stanley Cigar Co., St. Louis, Mo., and re-transferred to Berriman Bros., Inc., Tampa, Fla., October 17, 1930.

ARDITO:—22,787 (Tobacco World). For cigars, cigarettes and cheroots. Registered August 10, 1911, by Klingenberg Bros., New York, N. Y. Transferred to George Schlegel, Inc., New York, N. Y., and re-transferred to Manville Cigar Co., Manville, N. J., October 7, 1931.

SACK OF TOBACCO SOLD FOR $16,400

POSSIBLY the highest price ever received for a sack of tobacco was obtained on a South Sea island in 1903, according to *Tobacco*. It was paid to a tourist by a half-caste pearl diver.

The tourist, who had missed his boat, whiled away his time watching the pearl divers of the island. One of the half-castes, who saw him roll himself a cigarette from his sack of "Bull Durham," offered to buy the tobacco. As it was the last one available on the island, the tourist was reluctant to part with it for any price; so the pearl diver finally offered him the pearls in the next five shells which he was about to open.

The traveler agreed. The first four shells produced nothing more than some practically worthless seed pearls, but the fifth disclosed a pearl of size, coloring and texture seldom equaled. Declining all local offers, the traveler bought himself a pistol and departed on the next steamer. He later sold the pearl, which he had traded for a five-cent sack of "Bull Durham" tobacco, for $16,400.

The original bull trade-mark, the modern version of which is again seen in the "Bull Durham" advertisements in newspapers throughout the country, was borrowed from a mustard bottle.

John R. Green, owner of the Durham tobacco factory after the Civil War, was sitting in the local hostelry discussing his growing tobacco business. His friend suggested he adopt a trade-mark to protect himself. Pointing to the mustard jar on the table, his friend said: "There is a condiment that is, as you see by the label, manufactured in Durham, England. It bears the sign of a Durham bull's neck. Why not name your product 'Bull Durham' Smoking Tobacco and adopt the whole bull as a trade-mark?"

This advice, as recorded in Boyd's "The Story of Durham," was followed. A few days later, the sign of the bull was painted on sheet iron and mounted in front of the factory. It was not until some years later, however, after William T. Blackwell, a pioneer of national advertising, assumed control of the business, that the bull trade-mark was depicted all over the country.

CHAIN STORE TAX IN NORTH CAROLINA UPHELD

THE CHAIN STORE tax in North Carolina was stamped "constitutional" by the United States Supreme Court on Monday, although a similar test case involving chain store tax in Mississippi was dismissed.

The decision was the second of recent months in which the tribunal had upheld the authority of the states to impose a special levy upon this type of merchandising establishment. Last spring the court sustained such a tax as levied by Indiana, in one of the five to four decisions that served to bring into prominence a new alignment of fundamental opinion among the members of the bench.

The division on the North Carolina tax, although announced as seven to two, was in effect another five to four verdict. Associate Justices Van Devanter and Sutherland, who voted against the Indiana levy, felt that the decision in that case should rule today, and so joined the majority. Today's dissenters were Associate Justices Butler and McReynolds.

Justices Van Devanter, Sutherland, Butler and McReynolds, with the late Chief Justice Taft and Associate Justice Sanford, for years formed a majority controlling the court's opinions. During this period the phrase "Holmes, Brandeis and Stone dissenting" gained its wide familiarity in juridical annals.

Chief Justice Hughes and Associate Justice Roberts, who succeeded Taft and Sanford, have shown a distinct tendency to align themselves with the old dissenting minority, thus placing the Holmes and Brandeis school of thought, popularly labeled "liberal," in the majority.

The court formally dismissed a case brought by Mississippi to test its tax on chain stores. The case is still pending in the lower courts, and until they have disposed of it the Supreme Court felt it could not take it under consideration. When the case has followed the usual channels of the lower court procedure, then it may be brought without prejudice before the highest tribunal.

The three state taxes, while similar in general intent, present contrasting differences in their method of application. The Indiana tax is imposed upon all stores and graduated upward as the total of stores in a chain increases. The North Carolina levy puts no tax on single stores, but imposes an annual assessment of $50 on each store when more than one is operated by a single individual or company. In Mississippi, a tax of one-quarter of 1 per cent. is levied against income derived from the sale of tangible property with the rate increased to one-half of 1 per cent. when the income is derived from five or more stores.

Attorneys for the stores in the Indiana and North Carolina cases set forth as their principal contention that the taxes were discriminatory and therefore unconstitutional. The states replied the levies represented a valid exercise of the police power given to them by the constitution.

The court refused to review the contention of Porto Rico that its inspection fee on tobacco and cigars is valid.

28.89 T55T

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NOVEMBER 15, 1931

VOLUME 51 No. 22

THE TOBACCO WORLD

P. LORILLARD CO., INC.
119 West 40th Street
New York City

Respectfully invite your attention to the Christmas packing of their products as follows:

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED
The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"

OPTIMO CIGARS — VERY MILD — VERY MILD

Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

TOBACCO AGENTS FOR THE PHILIPPINE GOVERNMENT

CHARLES A. BOND
DAVID F. MORRIS

15 William Street
New York City.

September 18,1931

Mr. E.M. Henofer, Pres.,
Wooden Cigar Box Boosters Club,
216 Seaside Ave.,
Atlantic City, N.J.

Dear Sir:

For some years I have followed closely your campaign to protect the cigar industry by advocating the continued use of wooden boxes.

In this connection,permit me to say that Manila cigars are packed one hundred percent in cedar boxes. Experiments have been made with other materials in the past,but, the Manila manufacturers find that nothing can take the place of wood to preserve the quality of cigars.

It may interest you to know that the Manila trade is expanding and that shipments show a gain of about seven percent over last year. Clean, wholesome cigars, carefully packed in wood is the answer.

Respectfully yours,
C A Bond
Philippine Tobacco Agent

MANILA CIGARS *are packed.....*
100% IN WOODEN BOXES

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 22

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
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STATE CIGARETTE TAX OPPOSED

AS THE special session of the Pennsylvania State Legislature, called by Governor Pinchot for the purpose of passing legislation for the relief of the unemployed in the State, convened on Monday evening there was a strong current of opposition evident among the members toward the proposed tax of two cents on each package of twenty cigarettes, and increased tax on gasoline.

Automobilists and automobile clubs were unanimously against the proposed increase of two cents a gallon in the State tax, which is already three cents a gallon, and tobacco and cigarette manufacturers are objecting strenuously to the proposed State tax on cigarettes.

Considerable information has been given out in the State by representatives of the tobacco interests against the proposed cigarette tax, and instances are being cited where the cigarette tax has failed to work out satisfactorily in many states where it has already been adopted. It is sure to encounter a tremendous amount of bootlegging in cigarettes, and as a revenue producer will probably prove a failure because of the cost of enforcing the law and collecting the taxes.

Cigarettes have passed from the luxury classification into a necessity in the vast majority of cases and it would seem that a much more equitable method of raising the emergency revenue to aid the unemployed could be found than that of increasing the burden of the man who finds his income reduced to the point where he must deny himself and his family all pleasures, but who can derive some measure of solace and comfort from the harmless indulgence of the consuming of an occasional cigarette.

Senator George Woodward, of Philadelphia, one of the most influential members of the upper house, is said to favor a state income tax, and this would seem to be one of the most equitable arrangements, since the tax could be graduated so that the man who is the least able to pay would in reality have to pay the least.

Governor Pinchot presented his proposals to the upper house on Monday night, and the Senate and House met in joint session on Tuesday at noon to hear an address by the Governor on unemployment relief, and then adjournment was taken until next week, when the legislature will reconvene and actual work on the relief measures will be undertaken.

Every man in Pennsylvania who is interested in unemployment relief, and particularly jobbers and retailers interested in the tobacco industry, should immediately write or wire their representatives in the State legislature pointing out the fallacy of enacting a State tax on cigarettes as a means of raising additional revenue for the aid of the unemployed, since it is almost certain of failure as a means to that end, and will most certainly result in a decreased sale of cigarettes in this State and naturally thus contribute toward making more unemployment in some other part of the country where the cigarettes are produced.

In the states where a state cigarette tax has recently been enacted, the tax has very largely been evaded through the smoker adopting the roll-your-own method which has been made so convenient through the recent marketing of individual cigarette rolling machines. Thus the state measure has not only failed as a revenue producer, but, in addition, the Federal Government has been deprived of a tremendous sum of money formerly collected as taxes from the manufacturers of ready made cigarettes. Since a package of smoking tobacco will produce from forty to fifty hand-rolled cigarettes, it is obvious that the Federal Government loses the tax on that number of cigarettes, viz., twelve to fifteen cents, and receives in its stead the tax on one package of smoking tobacco, which is approximately two cents.

Thus following the results of the workings of a state cigarette tax, it is hard to discern where the state tax is of any real benefit, but has every possibility of becoming a real detriment toward the production of any additional revenue.

The Governor estimates the tax of two cents on each package of twenty cigarettes sold in the State will produce $10,000,000 in revenue, based on a consumption of 10,000,000,000 cigarettes in Pennsylvania.

COURT BATTLE LOOMS ON SUMATRA QUESTION

FOLLOWING the decision of the Treasury Department recently that there would be no embargo placed on the importation of Sumatra tobacco into this country due to the fact that there is not sufficient wrapper leaf tobacco raised in this country to take care of the requirements of the cigar industry, it was intimated last week that the tobacco growers might seek mandamus proceedings against Secretary Mellon, on the grounds that the Sumatra tobacco is produced by "forced" labor and is therefore not admissible to this country under the recent Tariff Act.

The wrapper leaf growers were greatly disappointed at the decision of the Treasury Department, and in some sections it was intimated that political influence had been used to gain the decision.

Just what the next move will be, if any, is still in doubt, but it is believed that it would be best to accept the decision of the Treasury Department as final, and for everybody concerned to at once take up their cudgels in a friendly spirit again and strive for the betterment of the cigar industry as a whole.

Another Letter from Mr. Knapp

November 7, 1931.

Editor, THE TOBACCO WORLD,
236 Chestnut Street,
Philadelphia, Pa.

Dear Sir:

With much interest I have followed the comments of readers of your publication, other than myself, relative to the continuous decline in cigar withdrawals. I am impressed by their almost unanimous opinion that the non-porous, transparent covering is an important contributory factor. These representative and honestly given opinions definitely indicate that the cigar should be restored to its natural environment.

With its millions of invested capital, the matter of packaging cigars is of serious import to the industry. "*Tobacco,*" on April 30, 1931, published an article by Dr. Arthur Selwyn-Brown which included a table showing that cigar consumption had declined from ninety-one per capita in 1913 to forty-nine in 1930. (The change in population figures are of course taken into consideration.)

The transparent non-porous wrapper alone has not caused this tremendous decrease; without doubt there are other contributory causes. But it is a fair question to ask what the industry is doing to restore the cigar to its former prestige as a man's smoke?

Through your editorials which have brought forth valuable opinions concerning the non-porous wrapper and the type of container as well, I am sure that cigar manufacturers are giving more serious thought to the views expressed through your publication. As evidence of the interest which your discussion has aroused, let me quote you from a letter just received from a representative cigar manufacturer. He writes:

> "There has been so much said about how wonderful the manufacturer's cigars are, about the finest tobaccos, the superb processes, the sanitary methods, cellophane, and finally the container itself in recent years, that the average cigar smoker has a right to be confused, groggy, and practically out on his feet. Mr. Cigar Smoker has been switching from one to another, putting his hope in wild and misleading claims for this cigar and that cigar, literally gassing himself and becoming generally disgusted in an attempt to determine real cigar value.
>
> "To go into all the phases would be tedious and no reader would probably give a damn what you or I said about it, now that the air is so full of what thousands of so-called experts, doctors, hygienists, chemists—everything except tobacco experts—are supposed to have discovered wrong with everybody else's cigars."

Almost all cigar manufacturers will admit that something is wrong, but how many by their actions these past years have shown that they are aggressively trying to find the source of their difficulties—difficulties that are definitely decreasing cigar withdrawals each month?

The letter from which I have quoted above comes from a manufacturer who stands, in my opinion, in the first rank of the few who are making progress with their brands today, and I want to quote still further from it:

> "To come squarely down to the Spanish Cedar cigar box container, this firm believes through nearly a half century of observation and practical experience, that there is no other container that can compare with it. This implies, of course, that the cigar is given a chance to rest and 'breathe,' so to speak, in the fresh Cedar. This also takes for granted that the cigar is really and honestly made of fine superior quality tobaccos; that the tobaccos have really and honestly been expertly cured, sweated and handled; that after the cigar is carefully made it is packed without any artificial covering, cellophane, tinfoil or anything else, thus giving it the opportunity it requires to assimilate itself with the Cedar. The intelligent processing of good cigars in the Cedar box without any question gives that guarantee of aroma known only to the connoisseur of fine cigars. The last pinch of seasoning which is associated with fine cigars and fresh Spanish Cedar is a flavor, a taste that cannot be duplicated. Further than this, we are convinced that cellophane, tinfoil, paper or cardboard will in time adversely affect the qualities of any cigar.
>
> "As in everything else, so far as numbers are concerned, the epicure of excellent food or choice wines, for example, are in the minority. It may be a logical conclusion, therefore, that so far as numbers are concerned only a few cigar smokers, comparatively speaking, will continue to insist on cigars that are in fact the finest; cigars which have cost the manufacturers more—yes, a great deal more—than had he sacrificed to cheaper methods and tried to put over such cigars as perfection in quality. After all it is the cigar itself, its uniformity in quality and aroma; rather than shape and cellophane and giddy looking pasteboard camouflaged with paper covering to look like the real Cedar, that will sell itself to a man who has tasted sufficiently of superior cigars.
>
> "In conclusion I would like to say that this firm does not expect to yield to any inferior standard. For nearly fifty years we have bought the finest tobaccos and materials of all kinds that the world market offered. To hold rightly our reputation means everything to us. We think it means much to those whom we have the privilege of serving."

These views of an important and experienced manufacturer cannot be disposed of lightly by others who must have their own best interests at heart. Anyone who reads these quoted paragraphs does not need to be told that they come from a long-established and successful manufacturer who knows his cigars.

It seems to me that if the ground lost in the cigar industry is to be regained, the manufacturers must definitely ascertain to what extent, if any, the non-porous wrapper and containers of material other than wood, are affecting the smoking qualities of cigars.

(Continued on Page 16)

Something worth cheering about

If you really want to know how hugely enjoyable a fine cigarette can be, just try Camels in the Humidor Pack!

It isn't only that Camels are made of the choicest tobaccos—fine Turkish and mild Domestic tobaccos expertly blended. . . .

It isn't only that these fine tobaccos are cleaned by a special vacuum process that whisks away all the peppery dust.

It's that *all* the goodness of these fine, clean tobaccos — *all* the rare fragrance, *all* the delightful aroma — reaches you factory-perfect — prime, mild, *fresh!*

The Humidor Pack does that — seals within germ-safe, moisture-proof Cellophane *all* the natural freshness — seals it so tightly that wet weather cannot make Camels damp, nor drought weather make them dry.

So just try Camels—fine cigarettes kept fine — as a relief from stale, parched, dried-out cigarettes.

Then you'll see why millions of folks like you are finding the cool, smooth, throat-friendly pleasure of Camels something well worth cheering about!

Tune in CAMEL QUARTER HOUR featuring Morton Downey and Tony Wons — Camel Orchestra, direction Jacques Renard — Columbia System — every night except Sunday

Don't remove the moisture-proof Cellophane from your package of Camels after you open it. The Humidor Pack is protection against perfume and powder odors, dust and germs. Even in offices and homes, in the dry atmosphere of artificial heat, the Humidor Pack delivers fresh Camels and keeps them right until the last one has been smoked

CAMELS

Mild . . NO CIGARETTY AFTER-TASTE

© 1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

PHILADELPHIA.

HARVEY NARRIGAN DEAD

HARVEY D. NARRIGAN, one of the oldest and best known tobacco jobbers in Philadelphia, died on November 3d at his home, 101 Woodside Avenue, Narberth, Pa., following a heart attack.

Mr. Narrigan was in his seventy-sixth year and had been associated with the tobacco jobbing business for more than fifty years, where he bore a high reputation for his integrity and fair dealing.

Mr. Narrigan was content with the natural growth of his business and had never attempted to become "one of the largest." Only a few years ago, on the occasion of his fiftieth anniversary in the jobbing field, his many friends in the jobbing and retail trade here presented him with a handsome gold watch as a token of their esteem and admiration for his unfailing interest in the betterment of conditions in the trade here.

Harvey D. Narrigan & Company has long been a well-known firm in Philadelphia. The business was originally established on Fourth Street, above Cherry Street, but was soon moved from Fourth Street to 132 North Sixth Street as the business began to expand. Later the firm moved to 141 North Sixth Street and later to 118 North Sixth Street, where it is located at the present time.

Mr. Narrigan conducted the business until a few years ago, when his health began to fail, and he then left the greater part of the management of the business to his two sons, Clifford Y. and Harvey E., who will continue to carry on the business.

Funeral services were held from the F. M. Rowland & Son funeral parlors, 1908 Diamond Street, Philadelphia, on November 6th at 2 P. M., and were attended by a large delegation of jobbers and retailers, who regret the passing of so fine a character.

He is survived by his widow, Carrie, and two sons, Clifford Y. and Harvey E.

Mr. Narrigan's will, which was probated at Norristown on November 10th, disclosed that it was written only the day before his demise, and his estate of approximately $100,000 is bequeathed to his widow and his two sons.

PROTEST FILED ON SUMATRA DECISION

It was announced in Washington on Wednesday that a protest against the treasury ruling permitting the continued importation of Sumatra tobacco has been filed with Undersecretary Mills by Representative Treadway, of Massachusetts.

JOBBERS HOLD MEETING TO DISCUSS PROPOSED CIGARETTE TAX

A MEETING of the jobbers of tobacco products in Philadelphia was held on Monday evening at the Bellevue-Stratford Hotel to discuss ways and means of combating the passage of the proposed bill now before the special session of the legislature of Pennsylvania to place a sales tax of two cents on each package of twenty cigarettes.

Charles Dushkind, of the Tobacco Merchants Association of the United States, was present and expressed confidence that the bill could be defeated with the proper amount of co-operative effort on the part of those engaged in the jobbing and retailing of tobacco products in the State.

It has been announced that a public hearing on the proposed bill will be held in Harrisburg on Monday, November 16th, at 4 P. M., and a goodly delegation of jobbers and retailers opposed to the bill will be on hand to present their arguments against it, before the House Ways and Means Committee.

Tobacco interests have informed Representative Phillip H. Sterling, of Philadelphia, chairman of the Ways and Means Committee, that the proposed cigarette tax would not yield the estimated $10,000,000 even if it were possible for the tax to be collected on every cigarette sold.

Experience of other states having similar taxes, they said, showed that the greater part of cigarettes smoked would be of the bootleg or mail-order variety, and that the revenue would be found to be around $2,000,000.

The Pinchot bill requires retailers to stamp every package of cigarettes upon receipt, and keep complete records, subject to minimum penalties of $100 fine for a first violation and six months' imprisonment for a subsequent violation.

Organized labor is opposed to the cigarette tax, and will have a spokesman against it at Monday's hearing.

"ROYALIST" GOING GOOD IN BALTIMORE

Grabosky Brothers, Incorporated, North Second Street, manufacturers of the "Royalist" brand, report that sales of this brand are showing a steady demand, and they are being well received in Baltimore, where William Deiches & Company recently took over the distribution of the brand for their territory. Distribution on this brand in their territory is being constantly expanded and a good volume of repeat orders is being received.

"I have to be kind to my throat"

"I've tried several brands of cigarettes but I prefer Luckies. I smoke them regularly as I have to be kind to my throat. I learned this from my previous stage experience. **Your improved Cellophane wrapper is splendid. A flip of the tab and it's open."**

Kay Francis

MOISTURE-PROOF CELLOPHANE *Sealed Tight Ever Right* **THE UNIQUE HUMIDOR PACKAGE** ***Zip—*** ***and it's open!***

When **Kay Francis** left the stage and enlisted in the Hollywood army, pictures got a great recruit! The tall brunette beauty was a sound success on her film debut, and she's charged along to even bigger things. She is one of **Warner Bros.'** stars.

"It's toasted"

Your Throat Protection — against Irritation — against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

★ **Is Miss Francis' Statement Paid For?**

You may be interested in knowing that not one cent was paid to Miss Francis to make the above statement. Miss Francis has been a smoker of LUCKY STRIKE cigarettes for 5 years. We hope the publicity herewith given will be as beneficial to her and to Warner Bros., her producers, as her endorsement of LUCKIES is to you and to us.

Copr., 1931, The American Tobacco Co.

MANY VISITORS AT BAYUK'S

JAMES P. GIVEN, Bayuk territorial manager for Buffalo, was at Bayuk headquarters last week and reported a nice demand for holiday business for Bayuk cigars.

G. L. Branzell, territorial manager for Bayuks for Georgia and Maryland, also visited headquarters, and is very optimistic for an increase on Bayuk brands during the remainder of the year.

Lex Ehrman, of Ehrman Brothers, Horn & Company, San Francisco distributors, was a visitor at Bayuk's, also, and brought encouraging reports of business on Bayuk brands on the Pacific coast.

On Friday a group of students from the Agricultural Department of Penn State College visited the Bayuk factory and made a tour of inspection through the building. This is an annual event with Penn State Agricultural Department students, and authorities at the college consider the visit to the Bayuk plant one of the most interesting and educational of all the industrial plants in Philadelphia.

A splendid display of Bayuk holiday packages has been arranged in the foyer of the main offices of the Bayuk factory, and this year's holiday packings are among the most attractive of those put out by the Bayuk forces. An added feature of the packings this year will be a 1/100 packing of their popular "Havana Ribbon" and "Bayuk Phillies" brands. This is a flat package holding ten cigars each. The beautiful and bright coloring of this year's packages are sure to attract the eye and result in increased sales on these products.

YAHN & McDONNELL BRANDS GOING WELL

Yahn & McDonnell, 617 Chestnut Street, distributors of high-grade imported and domestic cigars and tobacco products, report business on all their brands holding up particularly well through their territory.

The recently launched "Dawn" cigarette, which is lighted without the aid of a match, by simply scratching the end of the cigarette on a specially prepared strip on the outside of the box, is meeting with a steadily increased demand wherever it has been placed.

"Blackstone" cigars are also well up among the "favored few" which are recording an increase in sales as compared with the same period of a year ago.

Abe Caro, "Optimo" representative, was a visitor last week and reports excellent business on his brand.

"Kid" Nichols, "Belinda" representative for the United States, was in town, also, last week, and reported good business on his brand with excellent prospects for the holiday season.

Frank Llano, American Cigar Company representative, who has been in town for the past few weeks promoting the sale of "Antonio y Cleopatra" with such good results, has left for other parts of his territory.

Paul L. Brogan, vice-president of Yahn & McDonnell, has been confined to his home for several days on account of illness. His many friends in the trade wish for him a complete and speedy recovery.

"EL PRODUCTO" TRUCK ROBBED

Last week a truck of the G. H. P. Cigar Company, manufacturer of "El Producto" cigars, was held up in Philadelphia suburban territory and several thousand cigars were stolen.

The cigars were recovered a short time later, found hidden in a nearby barn.

Y. & M. HAVE NEW RONSON RAZOR

YAHN & McDONNELL, distributors of Ronson products in this territory, are showing the new Ronson razor, which is something entirely new and unique in that field.

The new razor has a beautiful chromium finish and each razor is packed in an individual plush case which makes it a striking gift for the holiday season.

The unique feature consists of the sharpening device which is a part of the razor and sharpens the blade without removing it from the holder. Each razor contains a special "super-steel" Ronson blade, and three additional blades are contained in the gift case.

The razor retails at $5, has been well received wherever it has been shown, and has proven a ready seller.

CONGRESS HOLIDAY ORDERS PILING UP

At Congress Cigar Company headquarters, Third and Spruce Streets, Willis Andruss, general sales manager for the company, is highly optimistic about prospects for a good holiday business on their "La Palina" brand.

Mr. Andruss has just returned from a visit to Baltimore and Washington, where he found "La Palinas" enjoying a nice demand and a spirit of optimism prevailing among the retailers and jobbers.

Orders for holiday shipment are coming in in a steady volume and the volume of business for the year as a whole for the Congress Cigar Company will be highly satisfactory.

"CONDOSSIS" CIGARETTE WELL RECEIVED

At the headquarters of John Wagner and Sons, distributors, 233 Dock Street, they report a wonderfully fine reception of the new "Condossis" cigarettes which they have recently taken on for distribution in their territory. Although actual distribution will not begin until after November 15th, a highly gratifying volume of orders have been received from retailers wherever samples of the new product have been shown.

Messrs. Condossis and Clark, of the Condossis Tobacco Corporation, were in Philadelphia last week and were highly pleased with the reception accorded the brand. Mr. Clark, factory representative, is now visiting retailers in Baltimore and Washington in the interest of the brand.

Among out-of-town visitors at Wagner headquarters during the past week were Messrs. Howard and Schwab, of Schwab, Davis y Ca.; Merriam, of M. Bustillo & Merriam; and Mr. Lemlein, of M. Sachs & Company.

The "Wagner" private brand is meeting with a particularly nice demand in the clubs and hotel stands in Philadelphia, and John Wagner and Sons also report a splendid volume of business on all imported brands.

"PHILLIES" TEAM IN INDUSTRIAL LEAGUE

The Bayuk Phillies bowling team, which is the pride of Bayuk Cigars, Incorporated, they being at the top of the list in the Cigar Manufacturers' Bowling League, with the Bayuk "Havana Ribbon" team in second place, has joined the Industrial Bowling League of this city and came off with first honors in their initial match with the Sun Oil Company team, winning the three games.

"Oh, there's nothing like a smoke!"

—W. C. BENNETT

And great Gideon how the flavor *does float out* from each long, cool pipeful of Granger!

For there's no process known that brings out aroma and fragrance like our own Wellman's Method. Rich and full, deep and mellow, this slow-burning Rough Cut just hits the right spot.

Granger pipe-loads *last longer*, too. Time the next bowlful and prove it.

© 1931, LIGGETT & MYERS TOBACCO CO.

The truth...facts

1 Made by Wellman's Method—an 1870 Tobacco Secret
2 Cut for Pipes Only
3 Big Flakes that Burn Slow and Cool
4 Sweet to the End—No Soggy Heel

Fill the bowl pinch by pinch; pack it tight.

GRANGER ROUGH CUT

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

NEARLY one-fourth of the country's retail tobacco trade is in the hands of the chain stores, it is revealed by an analysis of chain-store trading just made by the United States Census Bureau.

Ninety chains, operating 2218 cigar stores, reported sales in 1929 totaling $102,733,330. This, the bureau found, was 24.6 per cent. of the total retail trade. In the retail drug trade, another important outlet for tobacco products, the chains controlled 18.5 per cent. of the total business, while in the restaurant industry the chains accounted for 14.2 per cent.

In a number of retail lines, however, the chains have secured an even greater proportion of the total business, accounting, for instance, for 93.2 per cent. of the five-cents-to-one-dollar variety store trade, 75.7 per cent. of the men's hat and cap business and 62.5 per cent. of the women's shoe business.

More than one-fifth of the total retail trade of the country is in the hands of the chains, the figures indicate, 7046 organizations operating 159,826 stores, or about 10 per cent. of all stores, reporting sales in 1929 of $10,771,984,034, or 21.5 per cent. of the total. There are 321 national chains, doing 44.6 per cent. of the total chain business; 5589 local chains with 32.9 per cent., and 1136 sectional chains with 22.5 per cent.

——

Anti-trust Laws May be Revised at Next Congress

Amendment of the anti-trust laws to permit agreements looking to the conservation of natural resources and avoidance of unnecessary and wasteful practices will be asked of the next Congress by American business.

Hearings already have been started before congressional committees, and it is anticipated that the Senate and House will give serious consideration to the task of bringing the 40-year-old Sherman Act up to date that it may meet the conditions of modern business.

There seems to be no great demand for upsetting the principles of the anti-trust laws, wherein they prohibit illegal combinations in restraint of trade or to create dangerous monopolies. However, under supervision of Government officials, the United States Chamber of Commerce has moved to the end of legalizing agreements for curtailment of oil, coal and timber production, among other commodities.

No indication has been given at the Department of Justice as to whether Attorney General Mitchell will make recommendations on the anti-trust question to the next Congress. Mr. Mitchell has discussed the anti-trust situation on a number of occasions, pointing out that it is incumbent upon the department to enforce the law, where violations occur, despite the depression.

There is no probability that Mr. Mitchell will suggest changes in the basic principles of the anti-trust laws. However, he might be favorable to changes which would permit agreements, under proper limitations, to conserve the natural resources of the nation.

There is little doubt but that the Department of Justice has been more liberal in its handling of anti-trust cases in the last two years than theretofore, because of the depression. Fewer prosecutions have been brought before the courts and every effort has been made to bring about an agreement whereby anti-trust cases could be kept out of court.

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Points for Business Recovery Cited

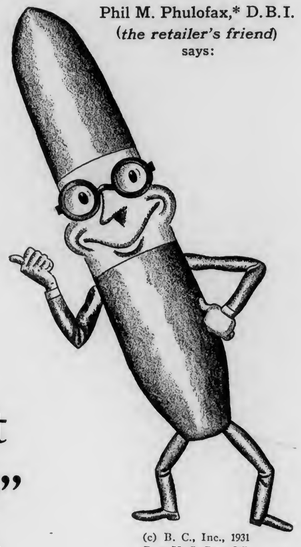
Ten steps toward the rehabilitation of American prosperity are outlined in a report made public October 28th by Walter S. Gifford, director of the President's Organization on Unemployment Relief, representing the results of a study by its committee on employment plans and suggestions.

Presenting the results of the committee's deliberations to Mr. Gifford, Harry A. Wheeler, of Chicago, chairman of the committee, took issue with the widespread belief that economic recovery in the United States depends first on the recovery of the rest of the world. "While it may be true that final complete recovery from the depression must await removal of adverse world conditions," he declared, "it is certain that we delay recovery by passively accepting our relation to the international situation and in failing to make a concerted, determined effort to correct domestic conditions.

"As the most nearly self-contained nation we have within our own boundaries the elemental factors for recovery. Our national wealth, stripped of the inflated value foolishly placed on it still is greater than our pre-war wealth; it is greater, too, than it would have been under any normal increase between 1914 and 1931. The overwhelming volume of our domestic business in comparison with export trade places us in a position to develop internally a constructive recovery if we grasp the opportunity which still is ours."

United national action to encourage buying, and re-establishment of public confidence in business and the creation of public or private credit agencies in addition to the national credit corporation now being formed, are recommended in the report. Other recommendations call for the assumption by bankers of a liberal and encouraging attitude toward credit requirements of the average customer; spreading available work in industrial, commercial and professional enterprises; spreading of employment for "white collar"

(Continued on Page 18)



Phil M. Phulofax,* D.B.I.
(the retailer's friend)
says:

"Whaddya mean you can't get Christmas business?"

THE open season for Christmas shoppers is near. I'm asking you pointblank: What plans have you made? What efforts are you making? Have you started reminding customers that you are going to sell Christmas cigars by the box? Are you displaying box goods? Do you tell customers—and does your store indicate—that you can serve them as well as the next fellow? Do you explain that you'll deliver or mail Christmas cigars anywhere? Have you a list of prospects you can solicit by mail and telephone? Don't tell me you can't get up one. There are plenty of ways . . . My, my, yes! Here's how J. T. R., of Peoria, Illinois, goes about it. He's a go-getter!

"I start early on my Christmas line-up of prospects. First, I check up on my last year's list. Then I build it up.

"When a likely looking customer buys a quarter's worth of cigars, I say, 'How about a couple of boxes of nice, fresh cigars for Christmas?' If he says 'Okeh,' I've landed a sale. If he says, 'Remind me later,' I have an excuse to take his name and address.

"If I happen to have heard a customer's last name, I may say, 'You live on Oak Street, don't you, Mr. Brown?' (Just a wild guess, of course.) If he says, 'No, Maple Street,' I can easily get his house number from the telephone or city directory.

"If I hear two customers—Jones and Smith, for example—greet each other by name, later I can generally get Jones' whereabouts from Smith, and Smith's from Jones.

"A prize drawing works fine, too, I put up a free prize—a five-pound box of chocolates or a couple of boxes of choice cigars. I keep the drawing sort of 'private.' A good Christmas prospect gets a free chance. I tell him that to notify him in case he wins I need his name and address. The rest is easy. The drawing brings me a big bunch of additional names to work on, and the extra Christmas sales I drum up from them makes the expense a mere trifle.

"With my list before me, I sure keep the telephone hot going after box business during the two weeks preceding Christmas. Twice during the season I also tackle my prospects by mail—first with a good-size list of Christmas offers; then with a 'last-minute' postcard reminder."

Fine, J. T. R.! That ought to stir up a lot of the other boys in the cigar retailing business. The merchant who gets Christmas business is the merchant who GOES AFTER Christmas business!

P. S.—More Christmas sales help coming. Watch for my page in this publication.

Phil M. Phulofax* D.B.I.

**Associated with* BAYUK CIGARS, INC., *Philadelphia*
Makers of fine cigars since 1897

(c) B. C., Inc., 1931
Reg. U. S. Pat. Off.

Did you listen in on the "BAYUK STAG PARTY" Sunday evening over W J Z *and associated radio stations? Another big entertainment next Sunday evening.*

BAYUK BRANDS
BUILD BUSINESS

BAYUK PHILADELPHIA CIGAR

BAYUK HAVANA RIBBON

BAYUK MAPACUBA

PRINCE HAMLET

CHARLES THOMSON

TENORS OR BASSES, all members of the quartet like Sir Walter Raleigh. It's milder, and makes for closer harmony. A tobacco that could please so many people in three years is worth keeping in stock at all times.

BROWN & WILLIAMSON TOBACCO CORP.
Louisville, Kentucky

ROYAL KASING FLUID COMPANY ADDS TO LINE

The Royal Kasing Fluid Company, 139 North Third Street, manufacturers of famous kasing fluids, has announced that they have made an addition to their line, and now have a pure Havana flavor that will positively make any domestic tobacco taste like mild, sweet Havana. This product can be used successfully on scraps or long filler, and while this product formerly sold at $25 a gallon, they now have a new process of producing this fluid, and also, because of changes in costs of raw materials, they can now furnish this flavoring to the trade at a cost of only $4 a gallon.

This will enable the medium and small manufacturers to take advantage of this opportunity to use this product, which has been used by the largest and most successful cigar manufacturers in the United States.

Royal Kasing Fluids are being used by more and more successful cigar manufacturers every day, and the Royal Kasing Fluid Company is being kept very busy shipping out the orders that are coming in in a steadily increasing volume.

GENERAL TO REOPEN WILMINGTON PLANT

Officials of the General Cigar Company have announced that their plant in Wilmington will be reopened in the very near future with the force increased to three hundred persons.

The factory was closed eight weeks ago, and at that time employed two hundred and fifty persons, with a weekly payroll of $5000.

NEW "ROCKY FORD" SIZE LAUNCHED

THE P. LORILLARD COMPANY, consistent with their policy of always giving the smoker the utmost in quality and quantity, have launched a new size of their popular "Rocky Ford" cigar on the New York City market, where it has met with instant popularity.

The new size is an Invincible shape, and although considerably larger than the old size, the price remains the same—five cents.

The instant response which greeted the appearance of this new size on the New York market has convinced officials of the Lorillard Company that it will be equally well received in other sections of the country, so that distribution will be expanded just as soon as production facilities can be stepped up to take care of them.

The return of the Invincible shape to popularity in recent months augments well for a substantial increase in "Rocky Ford" sales.

GIMBEL'S EXHIBIT BANDING MACHINE

Last week shoppers in the downtown section of the city were treated to an exhibition of particular interest to them in the show window of Gimbel Brothers Department Store, Eighth and Market Streets.

The exhibit consisted of a cellophane wrapping and banding machine, and it was shown wrapping and banding the popular "Bold" cigar, manufactured by Bobrow Brothers of this city.

It was necessary for a special cigar manufacturing license to be obtained from the Federal Government in order to show the machine in actual operation, and the exhibit was designated as Factory No. C1318.

It proved of unusual interest to those passing the window and it was necessary to have police officers on hand at times in order to keep the sidewalk open for pedestrians.

The exhibit remained in the window for one week.

BAYUK STARTS SUIT AGAINST NEWARK JOBBER

Suit has been instituted in the Newark, New Jersey, court to restrain George Fine, a cigar jobber of that city, from using the word "Philadelphia" on the labels of cigars he sells, by Bayuk Cigars, Incorporated.

On application of McCarter & English, counsel for Bayuk Cigars, Incorporated, Vice-Chancellor Church directed that Fine show cause why he should not be restrained.

Bayuk's charge that they alone have been selling under the trade name "Philadelphia" since 1912, and that it had registered its trade-marks in the United States Patent Office, but that Fine is selling cigars under that name, and so similarly wrapped, as to deceive the public into believing them Bayuk products.

FLORIDA NOW THIRD CIGAR PRODUCER

According to internal revenue receipts for the month of September, Florida is now in third place as a cigar producing state, eclipsing New York State, which formerly held that position.

Florida's internal revenue taxes amounted to $1,623,000 for the first nine months of 1931, against $1,136,000 for New York State. Pennsylvania retains first place with $3,794,100, and New Jersey second with $1,755,000.

North Carolina's payments for the same period was $169,743,000.

The Best Cigar Container Possible Is The Objective Of Autokraft

The Cigar Manufacturer knows, as does **AUTOKRAFT**, that the container is an important factor in his ultimate sales.

The package should be uniform in appearance.

Sparkling in its display of the lithography with which it is embellished.

Strong enough to give ample protection under unusual conditions.

Fabricated of materials that will definitely aid in the conditioning and mellowing of the cigar.

Priced to meet the economic needs of the industry.

Wooden cigar boxes as produced by **AUTOKRAFT** have set a new standard by which cigar boxes are judged. They meet the rigid specifications of the most exacting manufacturer, and many of the Nation's largest selling brands are better packed in the new **AUTOKRAFT** cigar box.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

A NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

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CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
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Headquarters, 341 Madison Ave., New York City

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NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

SHREVEPORT JOURNAL PRAISES 50-50 ADVERTISING

THE Shreveport, La., "Journal" recently commented on the current advertising program of the American Tobacco Company, for their "Lucky Strike" cigarettes as follows:

"One of the great tobacco companies has started something entirely new in advertising, developed around the fifty-fifty idea, which, in turn, is founded on the theory that a fair split is always honest and sportsmanlike. Thus, carrying the thought into the business of publicity, we find this cigarette manufacturing company printing photographs of beautiful movie stars—as part of their advertising—with 'testimonials' for this particular brand of fags, and with this notation in bold type:

> " 'You may be interested in knowing that not one cent was paid to Miss Blank for the above endorsement. . . . We hope the publicity herewith given will be as beneficial to her, and to her producers, as her endorsement of ———— is to you and to us.'

"Fair exchange is no robbery. The movie star gets her name and photograph in hundreds of newspapers of general circulation—something which could not be had in the magazines devoted especially to the film industry. The cigarette makers get the benefit of a beautiful display for their advertising copy, along with the free testimonial, and the whole thing has a ring of sincerity that otherwise would be missing.

"Such endorsements, in times past, have been generally regarded as just so much paid propaganda, and therefore worthless. When the publicity is put on a fifty-fifty basis, as in the instance cited, it has a much more convincing sound. It took a smart ad-writer to figure this thing out and put it over successfully."

GIRLS SMOKE IN PENNSYLVANIA ASSEMBLY

On Monday night, for the first time, young women spectators in the Pennsylvania House of Assembly smoked cigarettes during a recess in the session.

While both the Senate and the House have rules against smoking, the House never enforces its rule.

While the smoke curled up to the gold-leafed ceiling, Speaker Goodnough referred to committee the Governor's bill imposing a two-cent tax on every pack of twenty cigarettes.

GENERAL CIGAR EARNINGS

The General Cigar Company, Incorporated, reports for the nine months ended September 30, 1931, net profit of $1,758,049, as compared with $2,285,947 in the same period of the previous year.

SIDNEY J. FREEMAN CONVALESCING

Sidney J. Freeman, well-known head of the Manila cigar importing firm of S. J. Freeman & Sons, New York, is convalescing at his home following a six weeks sojourn in the hospital where he underwent an operation. Mr. Freeman is recovering nicely from his illness and expects to be able to return to his desk in a few more weeks.

PORTO RICO TOBACCO SHIPMENTS $17,000,000

According to the latest available figures, the total value of tobacco shipments from Porto Rico for the fiscal year ended June 30, 1931, was $17,164,327. This represents about 26,000,000 pounds of tobacco and 166,986,000 cigars and 20,172,000 cigarettes.

LORILLARD DIVIDEND POSSIBLE

ACCORDING to rumors circulated by those "in the know" in Wall Street, dividends on the common stock of the P. Lorillard Company may be restored at an early date.

The last payment was 2 per cent. quarterly in stock in the second quarter of 1927. The next regular meeting of the board of directors to act on the preferred dividend is scheduled for the early part of December.

In addition to the possible declaration of a dividend, it is understood that the corporation will also announce a plan for the retirement of a portion of its funded debt, consisting of $33,679,000 in debentures.

Lorillard earned $3,614,000, or $1.48 a share in 1930. Quarterly statements are not issued, but official estimates for 1931 indicate income of from $1,000,000 to $1,500,000 in excess of 1930 earnings.

NORTH CAROLINA MARKETS SELL 125,498,567 POUNDS

A total of 125,498,567 pounds of producers' tobacco changed hands on North Carolina markets in October at an average price of $9.93 a hundred pounds, which was $4.99 a hundred pounds less than the average of $14.92 paid for 142,094,665 pounds in October, 1930.

The Federal-State Crop Reporting Service, in its October summary, announced a total of 241,701,828 pounds sold in that state up to November 1st, at an average of $9.99 compared with $13.37 to the same date a year ago.

GUTIERREZ IN NEW FACTORY

A. Gutierrez, Incorporated, manufacturer of the "Lo Mas" cigar and other brands, has moved his factory equipment to a new and larger building at 44-50 Lexington Avenue, Passaic, N. J.

The factory was formerly located at 106 Market Street, but became too small to accommodate the steadily increasing volume of business being received by this firm. It is now located directly opposite the Erie Railroad Station in Passaic, in one of the finest blocks in the city.

A. T. COMPANY FEATURING COUPON DEAL

The American Tobacco Company and the American Cigar Company are featuring a coupon deal of interest to the retailer whereby coupons redeemable for cash are being packed in each carton of "Lucky Strike" cigarettes and "Cremo" cigars.

For every "Lucky Strike" coupon the dealer will receive one cent in cash, while "Cremo" coupons will be redeemed at ten cents each.

KING COMPANY WANTS CIGARMAKERS

The Louis King Company, South Third Street, is advertising for experienced cigarmakers and bunch breakers.

A. N. Davis is in charge of the South Third Street factory and reports a nice increase in demand for their "King Perfecto" brand.

SCHULTE DONATES TO UNEMPLOYED

An announcement was made last week by the Schulte Cigar Stores Company that 5 per cent. of the gross sales of the company on November 5th would be donated to the Mayor's unemployment fund here, together with an equal amount donated by the president of the company personally.

ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf cased with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY

139 North Third Street, Philadelphia, Pa.

SMOKING FIRST RECORDED IN 1535

IN 1535 the first written record of smoking of which we have knowledge was made by a Spaniard, Oviedo. He claimed to have observed Indians in Haiti inhaling the smoke of burning tobacco through their nostrils by means of reeds. With the reeds stuck in their noses, they leaned over a mass of burning tobacco and drew in the smoke.

Subsequently Oviedo observed Indians roll dry tobacco in palm leaves. They lit one end and placed the other in their mouths, inhaling the smoke. This is the first written record of a cigar. It is a far cry from these primitive devices to the modern, machine-made cigar, in which every precaution is taken to protect the smoker and to insure his enjoyment. One five-cent smoke is now the only cigar in the world finished under glass.

Although Oviedo was the first to record smoking, Amerigo Vespucci, after whom America is named, was the first to mention the word tobacco in print. In 1505 he wrote about Venezuelan natives who crumbled the leaves into powder, then packed them together in wads and put them into their mouths. This was to stay their appetites on long canoe trips.

MENGEL COMPANY REPORTS LOSS

The Mengel Company, Louisville, for the quarter ended September 30, 1931, reports net loss of $167,612 after interest, depreciation, etc., as compared with net profit of $19,822, equal to 59 cents a share on 33,603 shares of 7 per cent. preferred stock in the preceding quarter, and net loss of $61,353 in the third quarter of 1930.

First nine months of 1931 show a net loss of $162,215, as compared with net profit of $156,320, equal to $4.65 a share on the 7 per cent. preferred stock in the first nine months of 1930.

RUSTIA LEAVES PHILIPPINE DEPARTMENT OF COMMERCE AND COMMUNICATIONS

Manuel S. Rustia, former manager of the Government of the Philippine Islands Department of Commerce and Communications, Bureau of Commerce and Industry, with offices at 25 Broadway, New York City, has announced that he has severed his connections with that bureau and joined one of the larger private Philippine concerns in Manila.

The Bureau of Commerce and Communications for the Philippine Government is at present being continued under the charge of Major General Frank McIntyre, Philippine Trade Commissioner.

PARCEL POST CIGAR IMPORTS INCREASE

ACCORDING to advice from Washington, parcel post importation of Cuban cigars by individual smokers in the United States increased during September for the first time in several months.

For the month in which a year ago the new parcel post agreement was made effective between Cuba and the United States to permit entry of cigars in small lots, the Customs Bureau reported 191 importations valued at $1071 with duty totaling $947.

The August mail imports totaled only eight, although the value of $979 was not materially below that of the September shipments.

Twenty-four Cuban shippers in September took advantage of the special provision enabling them to enter cigars with duties and internal revenue prepaid through special representatives at Jacksonville, Fla.

SEVEN OUT OF EVERY TEN CO-EDS AT NORTHWESTERN LIKE TO SMOKE

Seven out of every ten co-eds at Northwestern University smoke or would like to, according to a recent count from Evanston, Illinois. These figures were computed on the basis of a petition signed by the women students living in houses on the women's quadrangle. The petition, in protest against the established ban on smoking, asked the right to smoke.

This is but another indication that the traditional taboo against women smoking is rapidly disappearing. While the movement of woman to emancipate herself from nineteenth century fetters accounts in part for this change, it is pointed out by tobacco experts that smoking by women has been greatly hastened by such innovations as the toasting process, including the use of the ultra violet ray, which have removed former objections from the standpoint of throat irritation.

The tobacco ban at Northwestern, which forbade smoking by women in sorority and "open" houses on campus, was originally established by the Women's Quadrangle Association.

SLIGHT FIRE AT MacANDREWS & FORBES

A fire, discovered by the watchman at the MacAndrews & Forbes licorice plant, Third and Jefferson Streets, Camden, N. J., one night last week, was quickly extinguished by firemen.

The fire was discovered in the switchboard in the yard. Damage was slight.

TRADE FLUCTUATES WITH TRAFFIC LIGHTS AT FAMOUS NEW YORK CORNER

IN ASSESSING the advertising value of a window display recently installed in the Schulte store at the northeast corner of Fifth Avenue and Forty-second Street, New York, Liggett & Myers Tobacco Company has found that the traffic lights at this famous intersection are an important factor. This store is said to have the largest transient retail tobacco trade in the world. Cigarette sales are the most important item. Clockers have determined that an average of 480,000 persons pass this corner each day. When the Fifth Avenue traffic light flashes red there is an immediate rush of customers from the Fifth Avenue side, and when the red light shows against Forty-second Street traffic the influx shifts to Forty-second Street. Pedestrians take advantage of the enforced wait to step in and buy a package of cigarettes while the red light still shows without delaying their progress.

This location is regarded as one of the best in New York City for point-of-sales advertising. In fact, three years ago it was necessary for the lessee to remove the public telephones installed there so as to reduce the congestion and leave more room for customers. The "Chesterfield" cigarette display here is one of a current series introducing a new note of sumptuousness in window advertising. The cutouts show a group of four girls clad in colorful lounging pajamas reading the slogan of one of the recent "Chesterfield" advertisements, "My Sweetheart Smokes 'Em—He Knows." Diffused light from below and foreground boxes flashing alternately help secure attention to the display.

It is estimated that 40 per cent. of this store's customers are women, as compared with 20 per cent. six years ago.

MR. KNAPP'S LETTER

(Continued from page 4)

Nature has given us tobacco, and has provided as well the material for its packaging. Experiment and experience have proven that the discriminating smoker chooses the cigar packed in its natural way; that is in its natural wrapper and in a wooden box made in whole or in part of Spanish Cedar.

For real enjoyment there is nothing like a cigar in its natural wrapper from a Spanish Cedar container. I challenge any manufacturer to prove the contrary with his own or other brands.

Yours very truly,

CHARLES A. KNAPP.

"CHESTERFIELD" ADVERTISING DIRECTOR BACK FROM EUROPEAN TRIP

W. D. Carmichael, vice-president, Liggett & Myers Tobacco Company, will return to New York on November 3rd on the Olympic after a month spent in Europe, for the most part in England and France. Mr. Carmichael is in charge of Liggett & Myers' advertising and is a director of the company. "Chesterfield" cigarettes are advertised extensively in European countries.

FRISSELLE RETURNS TO PACIFIC COAST

R. D. Frisselle, a director of Liggett & Myers Tobacco Company, in charge of their business on the Pacific Coast, has returned to his home in San Francisco after spending ten days at the company's main office in New York.

LAVAL USES CIGARETTES TO ADVANTAGE

CLINTON W. GILBERT, writing in the *Public Ledger*, says Premier Laval, of France, who was a recent visitor in the United States conferring with President Hoover on matters of national importance to both countries, has an odd little habit of gaining time and weighing his words carefully before saying them. This he revealed at the press conferences in Washington. It was obviously an old one always used by him when he is called upon to state his opinions.

He holds a lighted cigarette in his fingers and after saying three or four words takes a long puff at the cigarette and blows out the smoke before continuing the sentence with three or four more words. Every phrase is punctuated from every other phrase by a long pause and a puff at the cigarette.

Without the cigarette smoking the pauses would be awkward and the speaker would appear hesitating. The puff at the cigarette made the long pauses and the careful calculation of the words seem natural.

He seemed in the press conferences one of the least nervous and excitable men in the world.

GILLETTE MERGER COST CITED

Damon E. Hall, counsel for minority stockholders of the Gillette Safety Razor Company in their $21,000,000 suit against certain directors of the concern, on November 6th, in Boston, figured the ultimate cost of the acquisition of the Auto-Strop Safety Razor Company by the Gillette concern at $65,000,000.

Hall's compilation was made while he examined Philip Stockton, one of the defendant directors, before Judge William M. Prest, master. Stockton did not agree with Hall's figuring, saying that in arriving at the $65,000,000 total, the latter was assuming several things which would not happen.

In his discussion of the Auto-Strop Company, Hall produced a record of a Gillette directors' meeting at which the directors voted Auto-Strop Company was worth $20,150,000 to them. Stockton said the old Gillette Company was getting a bargain at that price as he estimated the value of the Auto-Strop concern to be at least $5,000,000 more than that figure.

L. R. VALENTINE DIES SUDDENLY

L. R. Valentine, well-known cigar manufacturer of Womelsdorf, Pa., passed away suddenly at his home there on November 3d, following an attack of acute indigestion.

He was the son of A. S. Valentine, founder of A. S. Valentine & Son, manufacturers of the "Flor de Valentine" brand, and was well known throughout the cigar manufacturing industry.

Mr. Valentine was treasurer of Ibach & Rader, which merged with A. S. Valentine & Son some time ago. The business will be continued.

SCHULCO COMPANY, INCORPORATED, EARNINGS

Shulco Company, Incorporated, real estate operating company of the Schulte Cigar Stores Company, reports for the nine months ended September 30, 1931, rentals earned of $662,487. Deduction of $350,246 for interest on first mortgages, depreciation on buildings owned and other expenses, and addition of $84,612 other income, produced net income of $396,853 available for bond interest.

A. T. COMPANY CANCELS TENNESSEE ADS

THE AMERICAN Tobacco Company has cancelled all its newspaper advertising contracts throughout the State of Tennessee in opening a fight against State tobacco tax regulations which require State tax stamps to be affixed to the original cigarette package, thus necessitating cutting the outside cellophane wrap, which is being featured in "Lucky Strike" advertising.

Charles M. McCabe, Commissioner of Finance and Taxation in Tennessee, has ruled that State tobacco tax stamps must be affixed to the original cigarette package, since, he said, the stamp will not stick to the new outside wrapper.

Robert R. Ferrell, president of the Memphis Drug Club, said manufacturers were preparing to test Commissioner McCabe's ruling, which requires dealers to cut the wrapping.

ENGLISH TOBACCO GROWER TAXED

A. J. Brandon, Church Crookham, England, grew 5000 pounds of tobacco this year—England's only tobacco crop—but he couldn't smoke a pipeful until he paid his duty.

He has been growing tobacco for twenty years, and this year's yield has been harvested and placed in the curing shed.

While excise officials kept a close watch on him, he maintains that if a part of the duty was remitted, England could supply half her own wants of the weed.

KROGER LOSES TAX SUIT

The suit of the Kroger Grocery and Baking Company, chain store corporation, seeking an interlocutory injunction to restrain the State of Kentucky from collecting taxes under the retail merchants gross sales tax act enacted in 1930, was dismissed on November 6th in a joint decision signed by three Federal judges in Louisville.

The suit was filed in the Eastern District last January and later several other petitions by chain stores were filed. All were merged in the interlocutory injunction action.

The decision cited a provision of the act which allows companies paying the tax under protest two years in which to sue for recovery and also provides that in the event of decision that the tax was collected unlawfully, the State Auditor must issue warrants against the State covering the amount of tax paid plus interest.

BABY INHERITS $1,785,415 TOBACCO FORTUNE

John Mitchell Reynolds, fifteen months old, has inherited $1,785,415, which makes him one of the world's wealthiest babies.

John and his mother, Mrs. Florence Reynolds, were still in a New York hospital when his great grandmother, Mrs. S. Jenny Sorg, came from Middletown, Ohio, to New York to see him. Unfortunately, Mrs. Sorg was struck by a taxicab on her arrival in New York and died without ever seeing her greatgrandson.

The fortune which John inherits from his greatgrandmother is part of that amassed by his great grandfather, J. P. Sorg, who founded one of the largest tobacco companies in America.

PECHARICH TO RETURN TO PHILIPPINES

J. L. Pecharich, of the Philippine branch of Liggett & Myers, who has been spending a vacation in the United States, will return to his post in the Philippines early in December.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

FOR RENT

OFFICE AND FLOORS FOR CIGAR MANUFACTURING OR STORAGE—No parking restrictions; good location; low rent; freight elevator and loading platform. Will divide. Metals Coating Company of America, 495 North Third Street, Philadelphia.

HAVANA CIGARS

OLD-ESTABLISHED CIGAR MANUFACTURING FIRM OF Hand-Made Havana quality cigars, offers fine Havana cigars in any quantity to discounting dealers, at profitable prices. Satisfaction absolutely guaranteed. If interested in first and repeated profits, address for particulars "Fair Dealing," Box 1168, Tampa, Fla.

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

TAMPA PRODUCTION UP

CIGAR MANUFACTURERS in Tampa produced 41,346,718 cigars during the month of October, which is an increase of about 5,500,000 cigars more than were produced there during the month of September. However, the production is about 11,000,000 cigars less than were produced in the same month of last year.

Production by classes was as follows: Class A—15,008,358; Class B—700,045; Class C—19,783,125; Class D—5,843,075, and Class E—12,064.

D. EMIL KLEIN EARNINGS

D. Emil Klein Company, Incorporated, reports for nine months ended September 30, 1931, net income of $241,000 after charges and taxes, equivalent after allowing for dividend requirements on preferred stock to $1.99 a share on 100,000 no-par shares of common stock. This compares with $244,848, or $1.94 a common share in the first nine months of 1930.

CONSOLIDATED CIGAR EARNINGS

Consolidated Cigar Corporation reports earnings of $3.50 a share on 250,000 shares of common stock in the first nine months of 1931, as compared with $3.85 a share in the first nine months of the previous year.

CHRISTIAN RESIGNS FROM CONSOLIDATED

Paul Christian has resigned as vice-president and director of the Consolidated Cigar Corporation, to become affiliated with L. H. Hartman & Company, advertising agents.

Tobacco Merchants' Association Registration Bureau,

341 Madison Ave.
NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

MAMBA:—45,957. For cigarette papers. October 27, 1931. Max Spiegel & Sons Co., Inc., New York, N. Y.

TRANSFERS

PAGET AND PAGET:—44,347 (T. M. A.). Registered August 20, 1925, by Metropolitan Cigar Co., Denver, Colo. Transferred to Edward Wikler, Denver, Colo., September 17, 1931.

News from Congress

(Continued from page 8)

classes; consideration by industries of the capacity of each individual employee for self-help and of his personal and community responsibilities, and a survey of possibilities of transfer of surplus labor from cities to farms are among the recommendations of the committee.

Outlining an eight-point program for the recovery of American business, Frederick M. Feiker, director of the Bureau of Foreign and Domestic Commerce, has called upon the industries of the country to take definite action to bring about economic rehabilitation.

Recovery of business can be materially speeded up, Mr. Feiker declared, if manufacturers and business men will undertake a program of market research and analysis, product research, investment and equipment replacement, budgeting, forecasting and statistical control, simplification and development of standard specifications, development of sound inter-industry relations, wages and employment policy and adoption of standard trade practices.

"The time has come for definite action by American business through its organized groups in the direction of effective economic planning," he declared. "It is time to stop talking and to do something. We have all been indulging in a plethora of discussion as to what should be done. The need now is modicum of action in order that American business may never again confront the disastrous toboggan of the 'business cycle' without actual effective means of applying the brakes.

"Economic planning in its true sense is not new to American business. Many of our trades are doing it, in part, even though they may not so label it. What we now propose is the correlation, co-ordination and extension of the work now being done in a scattered way by many trades to fit it into a complete, nation-wide pattern.

"Representative trade associations and business representatives have prompted the formulation of a definite, concrete program, for business stabilization through group action. In its final form this program, now in a tentative stage, will be the product of the best thought that the bureau may be able to summon from among leaders in American trade and industry. In that form it will soon be made available to the trade or industrial organization which seeks to move forward towards the stabilization of its future."

—

Large Government Deficit Probable

Within the next few weeks the treasury and budget bureau will complete their final estimates for the 1933 budget, to be submitted to Congress in December, which are expected to show the probability of a deficit of more than $2,000,000,000 for 1932 and a very large deficit for the following year.

The 1933 budget figures, without any explanatory comment, should be the most potent economy message ever sent to Congress, in the opinion of high officials. Without doubt they will indicate that the strictest economy must be practiced to hold down the deficit.

It was the belief that recommendations for greatly curtailed expenditures would bring the deficit considerably below that probable in 1932. If increased revenues are indicated for 1933 it probably will be because the new sources of revenue are recommended to Congress as there are no signs that the present rate of taxation will yield much more revenue than is anticipated for the current year.

For the first four months of the 1932 fiscal year receipts will be less than half of the expenditures. In this period ordinary receipts have amounted to $680,433,000, a drop of $260,000,000 from last year, while the expenditures have been $1,360,651,000, an increase of $251,000,000.

At that rate expenditures will be about $4,960,000,000 for the year, with a deficit of $2,480,000,000. Tax legislation by Congress which would provide for new sources of revenue might somewhat offset this large deficit, since increased rates could be made retroactive and applicable to incomes of the calendar year 1931, upon which returns will be made March 15th.

Officials are uncertain that the present rate of reduction of revenue will be maintained. Because of the smaller incomes of 1931 compared with 1930, it is possible that income taxes for the second half of the 1932 fiscal year will be materially smaller than for the same period of 1931. Normally income tax collections for the second half of a fiscal year are much heavier than for the first half, since the largest payment is usually made in March. Indications now are that there will be little difference in the collections during the first and second half of the present year.

Within a couple of weeks it is anticipated that the treasury will have completed its tax program for submission to the President. This will be outlined in the annual budget message to Congress. Both the limited sales tax and an increase in the rates on the higher incomes have been suggested. The sales tax is running into Congressional opposition, although it is considered a most effective means of raising revenue by the treasury and one which should have little effect on the cost of living.

—

RECEIVER FOR KING CIGAR COMPANY

Clarence M. Knox, who has been acting as temporary receiver for the Louis King Cigar Company, of Hartford, has been made permanent receiver.

Creditor claims must be filed within four months of October 31, 1931, to receive recognition.

DECEMBER 1, 1931

VOLUME 51 No. 23

LIBRARY
RECEIVED
DEC 5 1931
U. S. Department of Agriculture

THE TOBACCO WORLD

The Best Cigar Container Possible Is The Objective Of Autokraft

The Cigar Manufacturer knows, as does **AUTOKRAFT**, that the container is an important factor in his ultimate sales.

The package should be uniform in appearance.

Sparkling in its display of the lithography with which it is embellished.

Strong enough to give ample protection under unusual conditions.

Fabricated of materials that will definitely aid in the conditioning and mellowing of the cigar.

Priced to meet the economic needs of the industry.

Wooden cigar boxes as produced by **AUTOKRAFT** have set a new standard by which cigar boxes are judged. They meet the rigid specifications of the most exacting manufacturer, and many of the Nation's largest selling brands are better packed in the new **AUTOKRAFT** cigar box.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

A NATION WIDE SERVICE

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

TOBACCO AGENTS FOR THE PHILIPPINE GOVERNMENT

CHARLES A. BOND
DAVID F. MORRIS

15 William Street
New York City.

September 18,1931

Mr. E.M. Henofer, Pres.,
Wooden Cigar Box Boosters Club,
216 Seaside Ave.,
Atlantic City, N.J.

Dear Sir:

For some years I have followed closely your campaign to protect the cigar industry by advocating the continued use of wooden boxes.

In this connection,permit me to say that Manila cigars are packed one hundred percent in cedar boxes. Experiments have been made with other materials in the past,but, the Manila manufacturers find that nothing can take the place of wood to preserve the quality of cigars.

It may interest you to know that the Manila trade is expanding and that shipments show a gain of about seven percent over last year. Clean, wholesome cigars, carefully packed in wood is the answer.

Respectfully yours,
C. A. Bond
Philippine Tobacco Agent

MANILA CIGARS *are packed*.....
100% IN WOODEN BOXES

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 23

Established 1881
TOBACCO WORLD CORPORATION
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Hobart Bishop Hankins, President and Treasurer
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EDITORIAL COMMENT

AFTER making sure that the Internal Revenue Bureau had not started at the wrong end of the figures in issuing their report for cigar withdrawals for the month of October, we turned to the usually gay *New Yorker* for relaxation. We fell upon an article about "Big Jim" Farley and noted that he revealed as the secret of his success "personal contacting." And the thought skipped across our mind that Mr. Farley or a man of equal attributes might be employed to advantage to do some "personal contacting" right at this time for the cigar industry.

Having refrained from attending football games in order to contribute our full cheering strength to the cigar industry, it required some self-restraint to keep from crying when we figured that the October cigar withdrawals declined by more than 89,000,000.

We turned on the radio while we calculated the decline for the first ten months of this calendar year. Just as we started to write the results as something more than 474,000,000 a crooner began to sing, "Good Night, Sweetheart"!

Comparative figures for cigar withdrawals for the months of October from 1920 to 1931, inclusive, are offered herewith.

Cigar Withdrawals for Month of October

1920.....	704,799,089	1926.....	664,496,623
1921.....	635,807,697	1927.....	688,921,203
1922.....	693,940,778	1928.....	723,318,050
1923.....	711,654,834	1929.....	701,710,936
1924.....	635,230,565	1930.....	623,860,841
1925.....	711,222,189	1931.....	534,370,786

Cigarette withdrawals are reflecting the first important decline in that branch of the industry in the past twenty-five years. Economic conditions may contribute to a considerable degree, but undoubtedly the cigarette taxes imposed by the legislatures of various States have generously aided the decrease in their sales. And for that matter we have viewed the leaping figures of cigarette withdrawals with the feeling that the point of saturation was approaching and, depression or no depression, that there is in the offing a readjustment comparable in miniature to the October, 1929, upheaval in the stock market.

The cigar industry, on the other hand, has been, and is, going backward; not because it is approaching a point of saturation, but because it is becoming an arid field of endeavor into which even the most courageous and financially able might well hesitate to enter.

While it is true that our business and social habits of life and travel may bestow certain advantages upon the use of tobaccos in other forms, we have yet to acquire any real facts to dissuade us from the belief that the decrease in cigar smoking is due more to stubbornness and misunderstanding within the industry than from outside competition.

In an opening paragraph we referred to the cigar decline of the first ten months of this calendar year as being more than 474,000,000. For the benefit of those who lack either time or inclination, or both, we wish to mention the fact that in the first ten months of 1930 the cigar withdrawals fell below those of 1929 by more than 506,000,000.

From these figures we derive the fact that in the first ten months of the past two years cigar withdrawals have declined more than 980,000,000. Obviously, unless there is a first-class war started immediately, the November and December withdrawals are going to put the two-year decrease above the One Billion mark.

And now for something about this madness of the public for the transparent wrapper on cigars.

We have been pleasantly surprised by being told in personal conversations and by letter, by some important cigar manufacturers, that they wish they could find a way to rid themselves of the burden of the transparent wrapper.

Well, we hope they won't laugh too hard because we have a suggestion along that line. We doubt its value to the individual manufacturer; if it could be applied to the industry as a whole it might prove to be, and undoubtedly would be, of some advantage.

In a recent editorial we stated that the transparent wrapper on cigars was costing the industry $5,000,000 a year. Our actual estimate was more than $6,500,000, but we always like to underestimate rather than exceed the real computation.

The masculine sex, from which is drawn the army of cigar smokers, has proven itself to be a patriotic multitude. The flourless, sugarless, and coalless days of 1917-1918 established the willingness of the people of this country to spontaneously respond to a genuine appeal.

At this time the nation is being addressed to contribute to funds for the relief of the unemployed. It

(*Continued on page 15*)

PHILADELPHIA.

PORTER RETURNS FROM TRIP

JAMES M. PORTER, president of the Congress Cigar Company, accompanied by Ben Schwartz, vice-president, returned on Monday from a trip to Havana and Porto Rico, where they made a survey of the leaf tobacco crop of those countries for their company.

Business at the Congress Cigar Company continues in a steady and encouraging volume, and many repeat orders have been received on their holiday shipments, which indicates a more optimistic feeling prevailing in the trade in respect to the volume of coming holiday business.

YAHN & McDONNELL HOLD PARTY

Members of the trade in the territory served by Yahn & McDonnell, distributors of imported and domestic cigars, tobacco products, smokers' accessories and novelties, were invited to visit their headquarters at 617 Chestnut Street on November 23d and 24th to inspect their offerings of up-to-date accessories and novelties for the 1931 holiday trade. A great number of retailers prominent in this territory were present and salesmen were kept busy writing up orders for the merchandise displayed. One of the newest novelties, which attracted a great deal of interest, was the "White Mule." This is a replica of the cigarette dispenser which was so popular during the last holiday season, with the exception that this year's "mule" carries a small barrel on his back and dispenses liquid refreshment into a small glass when placed beneath the "mule." A buffet luncheon was served on the second floor, and, as usual, *nothing* was omitted from the menu. The affair was the usual huge success.

Among the out-of-town visitors at the luncheon were A. Guiterrez, of New York, manufacturer of the "Lo Mas" and other brands, and O. C. Snyder, of the "Bering" factory.

W. J. Garvey, of the Dawn Cigarette Company, was in town last week, visiting Yahn & McDonnell, local distributors of the brand, and reported an excellent demand for "Dawn" cigarettes.

Martin Bacik, factory representative for John Swisher & Sons, Jacksonville, Fla., manufacturers of the "King Edward," was also a visitor at Yahn & McDonnell's last week and reports a highly satisfactory demand for his brand.

BAYUK HOLIDAY ORDERS GOOD

AT BAYUK CIGARS, Incorporated, headquarters, Ninth and Columbia Avenue, orders for holiday trade on "Havana Ribbon" and "Bayuk Phillies" are arriving in goodly volume, which is very gratifying under prevailing business conditions throughout the country.

Karl Steinlein, of Haas-Baruch & Co., Los Angeles distributors for Bayuk Cigars, was a visitor at the Bayuk factory last week. Mr. Steinlein was returning from a trip to Europe. When visiting the Bayuk factory he was accompanied by A. Snellenburg, of the N. Snellenburg & Company, department store, this city, and both expressed their appreciation of a most interesting trip through the factory where details of Bayuk scientific sanitary manufacturing methods were shown them.

E. G. Gleason, of Grand Rapids, has joined the selling organization of Bayuk Cigars and is working in that territory under the supervision of Roy Barkman.

J. H. Whoener, who is acting as territorial manager in his section of Texas, is doing highly successful promotional work on behalf of Tyler and Simpson, distributors of Bayuk products.

Thirty-one students of the agricultural department of Penn State College were visitors at the Bayuk factory recently. Prof. E. J. McCord, professor of agricultural economics, was in charge of the visiting students, and the group was also accompanied by F. Hahneman, who is associated with the State Agricultural Department and who arranged the trip for the students. The group expressed themselves as greatly pleased with the trip through the factory and were amazed at the great care used in the Bayuk factory in every detail of their manufacturing methods.

Harry Rice, of the N. Rice Cigar Company, Pittsburgh, was a visitor last week at the Bayuk factory, as was A. C. Roy, New England territorial manager.

NEW DISTRIBUTOR FOR "ROYALIST"

Grabosky Brothers, Incorporated, North Second Street, manufacturers of the "Royalist" cigar, report that Joseph Friedman, of Bethlehem, has been appointed distributor for their "Royalist" brand in the Bethlehem and Allentown territory, and their brand is meeting with a hearty reception.

"Royalist" demand is constantly expanding and new distributors are being added to the list as rapidly as production facilities will permit.

"No Harsh Irritants for Lupe

I'm a LUCKY fan"

"No harsh irritants for Lupe. I'm a Lucky fan. There's no question about it—Luckies are certainly kind to my throat. **And hurrah for that improved Cellophane wrapper of yours—it really opens without a tug-o'-war—thanks to that tab."**

Lupe Velez

What a grand addition to Hollywood and the screen is **Lupe Velez,** the wittiest and liveliest little Mexican beauty who ever hopped the Rio Grande. Hollywood adores her. She will cavort for us next in **Metro-Goldwyn-Mayer's** fine picture, **"The Cuban Love Song."**

★Is Miss Velez's Statement Paid For?

You may be interested in knowing that not one cent was paid to Miss Velez to make the above statement. Miss Velez has been a smoker of LUCKY STRIKE cigarettes for 2 years. We hope the publicity herewith given will be as beneficial to her and to M-G-M, her producers, as her endorsement of LUCKIES is to you and to us.

Copr., 1931, The American Tobacco Co.

"It's toasted"

Your Throat Protection—against Irritation—against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

TUNE IN ON LUCKY STRIKE; 60 modern minutes with the world's finest dance orchestras and Walter Winchell, whose gossip of today becomes the news of tomorrow, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

CIGARETTE TAX APPARENTLY DOOMED

THE PROPOSED Pennsylvania State sales tax on cigarettes, now before the special session of the State Legislature in Harrisburg, has apparently very little chance of becoming law, according to recent reports from the State Capitol.

At the public hearing on the proposed measure, held in Harrisburg on Monday, November 16th, a goodly delegation of the tobacco trade was present and voiced their opposition to the measure in no uncertain terms.

Martin M. Berger, secretary of the Pennsylvania Tobacco Dealers' Association, broadcast a talk over the radio on November 15th, pointing out objectionable features in the proposed measure and urged all interested persons to get in touch with their State Senators and Representatives at once urging them to vote against the measure. The radio broadcast resulted in a deluge of telegrams arriving in Harrisburg the next day in protest of the measure.

While Dr. Clyde L. King, Secretary of Revenue, appearing in behalf of the measure, confined his statements largely to answering questions of committeemen and opponents, spokesmen for State and local organizations opposing the bills delivered a long attack.

Secretary King was the only proponent called. He said this form of taxation is gaining rapidly in popularity until thirteen States now have adopted it. He estimated Pennsylvania could collect 95 per cent. of the tax at a cost of 4½ per cent. He predicted the wholesalers would affix most of the stamps and the retailers would have little of this work to do.

Governor Pinchot estimated that from this source the total revenue will total $6,000,000 annually for two years. Dr. King placed the cost of collection at about $250,000 a year and said $2,000,000 of the revenue would be allocated to hospitals.

Opponents of the bill asserted the addition of 2 cents to the Federal tax of 6 cents on each package of twenty cigarettes would subject the smoker to double taxation, cause a sharp decrease in consumption and afford no method of taxing cigarettes sent to consumers by parcel post from out-of-State mail-order houses. They said the difficulties of enforcement would cut the probable revenue from $6,000,000 to $2,000,000 a year.

John R. School, who described the cigarette as the "poor man's smoke" and "almost his last solace that the Government has not taken away from him," said the tax virtually would confiscate vending machines through reduction of profit or expensive reconstruction of the devices.

Franklin Spencer Edmonds, representing the Pennsylvania Tobacco Dealers Association, criticised the tax as a "selective sales tax," contrary to State policy and likely to encourage cigarette bootlegging.

"Every additional tax you lay on business," he said, "is rocking the boat. A slight push may now cause a business establishment to be dissolved. A man tottering on the brink of success or failure falls when such a measure is enacted."

On last Wednesday an announcement was made in Harrisburg that adequate majorities in both the Senate and House were assured for a substitute measure which would be introduced in the Legislature for the relief of unemployment in Pennsylvania, which would do away with the proposed cigarette tax, and the proposed substitute measure was said to have the approval of State Treasurer Edward Martin, chairman of the Republican State Committee.

In spite of these encouraging reports, however, it would be well for all those interested in the defeat of this measure to keep in close touch with the proceedings of the Legislature until the measure is definitely killed.

TARGET MACHINES DEMONSTRATED

DURING the past week, demonstrations of the Target Cigarette Rolling Machine, product of the Brown & Williamson Tobacco Corporation, have been in progress in windows of prominent cigar and drug stores on Market Street.

Homer Chandler, divisional manager for the Brown & Williamson Tobacco Corporation, has been busy among local retailers arranging for the demonstrations, and if the throngs in front of the windows where the demonstrations are being staged are an indication, much interest has been aroused among cigarette smokers and a heavy sale of these little cigarette machines may be expected, particularly in the event that a cigarette sales tax should be passed by the Legislature in this State.

While Brown & Williamson's "Target" tobacco is displayed in connection with the cigarette rolling machine, material other than tobacco is used in the actual demonstration of the machine in order to comply with the recent ruling of the Internal Revenue Department.

Other brands of the Brown & Williamson Tobacco Corporation, which are meeting with a fine steady demand, are "Sir Walter Raleigh" smoking tobacco and "Raleigh" cigarettes.

"CONDOSSIS" BRAND REPEATING

At John Wagner & Sons, Dock Street, distributors, I. B. White, manager of the cigar department, reports that although distribution on the new "Condossis" cigarettes was only started on November 15th, several repeat orders have already been received, which indicates that this brand is a ready seller.

P. Freeman, of the Medal of Honor Cigar Company, New York, was a visitor last week and reports an excellent business on his brand. In fact, Mr. Freeman reported that their business on this brand this year showed a nice increase over last year's business for the same period. Wagner's are the distributors for the "Medal of Honor" for this territory.

Frank Fallon, representative of the "Partagas" factory, Havana, and also of the "Medalist" factory, New York City, was in town last week and reports excellent business on these two brands, which are also distributed by John Wagner & Sons.

Ben Lumley, "Upmann" and "Garcia y Vega" representative, has returned from a very successful trip through upper New York State, and reports an uneventful trip with no automobile accidents, etc., such as he experienced on his previous trip, although it is rumored that he ventured over the border into Canada.

The private brand "Wagner" is enjoying a splendid demand.

COE JOINS STEPHANO BROTHERS

Herbert W. Coe, well-known cigarette salesman, and who was recently associated with Philip Morris & Company, has become associated with Stephano Brothers, of this city, in the capacity of promotion and sales manager, and is at present engaged in promoting the sale of "Rameses" cigarettes in the New York metropolitan district.

Stephano Brothers are one of the oldest cigarette manufacturers in the country specializing in high-grade Turkish cigarettes. Their "Rameses" brand has been a popular seller from coast to coast for more years than the writer can remember. A recent product of this quality house is the "Smiles" cigarette. This is a blended type cigarette which has attained wide popularity in the comparatively short time it has been on the market.

This year you can give

FRESH

cigarettes

NEVER before at Christmas could you give what you can send to friends this year—because this is the first Christmas of Camel Cigarettes in the Camel Humidor Pack.

That means you can give the unmatched flavor of fine, clean, dust-free fragrant tobacco—in cigarettes which *stay fresh* till the last Camel in the last package has been enjoyed.

Contrast that with the bite-and-burn of dried-out or parched dry tobaccos, and you'll know why Camels make such a welcome gift.

No matter how many miles you send them, no matter if someone else happens to send Camels too—the fine Turkish and mild Domestic tobaccos in Camels will keep mild and cool and throat-easy, thanks to the *moisture-proof* wrapping which seals Camel flavor in the Camel Humidor Pack.

Be smart this Christmas. Make your shopping easy—and your gifts welcome by sending Camels straight through the list.

R. J. Reynolds Tobacco Company's Coast-to-Coast Radio Programs

CAMEL QUARTER HOUR, Morton Downey, Tony Wons, and Camel Orchestra, direction Jacques Renard, every night except Sunday, Columbia Broadcasting System

PRINCE ALBERT QUARTER HOUR, Alice Joy, "Old Hunch," and Prince Albert Orchestra, direction Paul Van Loan, every night except Sunday, N. B. C. Red Network

See local paper for time

● *Don't remove the moisture-proof wrapping from your package of Camels after you open it. The Camel Humidor Pack is protection against perfume and powder odors, dust and germs. In offices and homes, even in the dry atmosphere of artificial heat, the Camel Humidor Pack delivers fresh Camels and keeps them right until the last one has been smoked*

CAMELS

***Made* FRESH — *Kept* FRESH**

©1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

ALMOST the entire output of the cigarette industry of the country is disposed of through wholesalers, it is disclosed by an analysis just prepared by the United States Census Bureau.

Analyzing the reports of 49 plants whose sales in 1929 totaled $755,245,000, the bureau found that $752,029,000, or 99.6 per cent., represented sales to wholesalers, including manufacturers' own wholesale branches, while sales to retailers and manufacturers' own retail branches amounted only to $3,055,000, or 0.4 per cent., and sales to consumers, such as individuals, convention committees, offices, etc., amounted only to $161,000, or 0.02 per cent.

A somewhat different situation prevailed in the cigar industry, however, the bureau found when it analyzed reports from 1603 plants with sales in 1929 of $311,663,000.

This study showed that sales to wholesalers during the year totaled $204,249,000, or 65.5 per cent., while sales to manufacturers' own wholesale branches amounted to $62,271,000, or 20 per cent.; sales to manufacturers' own retail branches, $1,710,000, or 0.6 per cent.; sales to other retailers, $39,701,000, or 12.7 per cent.; sales to industrial and other large consumers, $1,105,000, or 0.4 per cent., and sales to household consumers, $2,627,000, or 0.8 per cent.

The survey showed that a number of plants got rid of their entire output through one avenue, 28 selling only to their own wholesale branches, 29 only to their own retail branches, 337 only to wholesaler dealers, 360 only to retailers, 28 only to industrial consumers and 114 only to household consumers.

Of the total sales, except those to manufacturers' own branches or to household consumers, $18,150,000 was made through manufacturers' agents, selling agents, brokers or commission houses by 208 manufacturing plants, 97 of which sold their entire output in this way.

Many Concerns Not Feeling Depression

Hundreds of business concerns throughout the country are this year showing as good a profit or better than they did in 1930, it is disclosed by a survey just completed by the Department of Commerce into methods adopted to offset the effects of depression.

The adoption of new and improved methods of selling and advertising, co-operation with customers, market research, the development of new uses for old products, expansion of export effort, diversification of products by some concerns and specialization by others, reduction of operating expense and overhead and economy in purchasing are among the outstanding factors in the maintenance of these businesses, it was learned.

The department's study showed the value of established reputations in times of depression, it being pointed out that, in many cases, "present success is attributed not so much to the present or a change in policy, as to past policies the soundness of which is accentuated by current business conditions. It is believed worth while to recognize policies which have laid a foundation of consumer confidence in the product and in the firm, and which have builded a strong financial structure, enabling the concerns to withstand the effects of a depression and to make the now less expensive additions and renewals to plant and machinery."

The study was undertaken, it was explained at the department, "in the belief that the focusing of attention on sound and successful policies would help direct business into constructive lines."

Legislation to Protect Artistic Designs to Be Reintroduced

Legislation giving patent protection to creators of artistic designs for industrial use will be reintroduced during the coming session of Congress, it has been announced by Representative Vestal of Indiana, author of the measure which last session was passed by the House of Representatives but failed to secure consideration in the Senate.

Discussing the need for his measure, Congressman Vestal pointed out there is no method under present laws by which the honest manufacturer or creator of industrial designs can protect himself. Assertions of opponents of the legislation that adequate protection already is given through the Patent Office are challenged by Mr. Vestal, who declared that this is not true and that the patent laws, so far as protection of artistic industrial designs is concerned, have been such a failure that it is doubtful if many manufacturers attempt to utilize them.

Under the patent laws, he pointed out, design patents are limited to those designs for articles of manufacture which are new and original and which are invented. To obtain a design patent, one must meet the requirements of novelty, originality and invention, and these can rarely be met, he said, with the result that the great majority of industrial designs are not patented.

"I believe that the proposed legislation is so safeguarded that no honest merchant can in good conscience object to it," Mr. Vestal declared. "What we are attempting to do by this bill is to stop design pirating."

Patent Office Aids Unemployed

Contribution of substantial aid to the employment situation during the past fiscal year by expediting the issuance of patents, applicants for which promised to put them immediately into manufacture, is shown in

(Continued on Page 14)

TOBACCO COMPETITION TO GROW MORE INTENSE

THERE will not be the tremendous accretions of new smokers in the future as in the past, the new smokers being confined largely to the oncoming generation as against the entire field which was open ten to fifteen years ago, according to Chas. D. Barney & Company, members of the New York Stock Exchange, in their eighth annual review of the tobacco industry.

"With this reduction in outlet," the survey says, "must come an intensification of the competition within the industry, and it is impossible to foretell which of the companies will, by reason of an advertising coup, a better product, or superior production and marketing methods, secure more than its share of this vast business. We anticipate that the tobacco companies will make a surprisingly favorable showing for the current year, due to the combination of higher prices for their product for half the year, reduced advertising expenditures and increases in smoking tobacco sales (a large profit item), all of which factors should more than outweigh the moderate reduction in production which seems probable at this time."

There is little in the annals of American business, says the review in regard to the decade just ended, more fascinating than the initiative, resourcefulness and courage with which advertising developed the virgin field which it found open to the cigarette industry. Pointing out, however, that the country's total cigarette production had dropped from the high figures of 135,700,000,000 in 1929 to 126,100,000,000 in 1930, the review continues:

"The end of this decade, however, found the great tobacco industry in its first major depression since attaining front rank in American industries. Beginning the year on a scale of advertising hitherto unknown, the available cigarette demand was soon found to be incapable, under the conditions, of that almost uninterrupted expansion to which the industry had become accustomed, but the fundamental soundness, strength and flexibility of the industry has at no other time been evidenced as at the present.

"It would appear from the curtailed advertising programs of the principal factors in the cigarette industry that they are confident of their ability to maintain satisfactory earnings on their reduced programs, doubtless relying on the permanent cigarette smokers for the backlog of their earnings. The imposition of retail sales taxes on cigarettes by fourteen States, together with the impending consideration of the subject of cigarette taxation by an additional member, will probably have the effect of further curtailing such expenditures in those States."

The survey points out that the four leading cigarette companies achieved record earnings in 1930, although they paid $359,800,000 Federal taxes on cigarettes alone. Net earnings of the four companies in 1930, available for dividends, were: American Tobacco Company, $43,294,769; R. J. Reynolds Tobacco Company, $34,256,664; Liggett & Myers Tobacco Company, $24,002,316; P. Lorillard Company, $3,614,363.

"The past year," says the survey, "marked the ascendancy into first place of the American Tobacco Company as the largest distributor of dividends to its stockholders, its disbursement totaling $32,455,966 as against $24,253,518 in 1929. The R. J. Reynolds Tobacco Company increased its dividend payments from $25,500,000 in 1929 to $30,000,000 in 1930. Liggett & Myers increased its dividend payments from $14,647,177 in 1929 to $16,215,176 in 1930. An improvement in the earnings of Lorillard would make possible a reduction in the amount of bonds outstanding, which, in our opinion, is a necessary prerequisite to the consideration of a common stock dividend."

GIBBS MANUFACTURING COMPANY MARKETS CIGARETTE ROLLER

THE Gibbs Manufacturing Company, Canton, Ohio, have announced they are ready to market their new Gibbs Cigarette Roller, which combines all the niceties of the "tailor-made" cigarette in a compact little device designed for the manufacture of cigarettes by the individual by hand in his home, and for his own consumption.

The Gibbs Manufacturing Company states that the idea of rolling your own cigarettes is becoming more popular every day and present conditions are making the practice more widespread.

Gibbs Cigarette Roller which Retails at 25 cents

Anyone who "rolls his own" will readily see how he can roll finer cigarettes easily and more quickly, using any brand of cigarette or pipe tobacco, with the new Gibbs Cigarette Roller.

One demonstration or one trial will prove the superiority of this method and of the Gibbs machine. Perfect cigarettes at less than half the cost of the factory-made brands.

Dealers can cash in on this increasingly popular practice of smoking home-rolled cigarettes, by selling the Gibbs Cigarette Roller. It is well made, nicely finished and surprisingly low priced, and it is smaller than many of the cigarette rollers now on the market.

PROPOSE BAN ON CIGARETTES IN OREGON

A petition has been filed with the Secretary of State of Oregon to amend the State Constitution so as to forbid cigarettes within the State borders. The movement is sponsored by E. F. Atchley, who sought the passage of a similar amendment at the last general election, but which was defeated.

The petition seeks to prohibit the sale, manufacture, importation, possession and advertising of cigarettes or cigarette papers in the State.

The proposed amendment was defeated by a two-to-one vote at the last election, but the reformers hope to obtain passage of the bill at the next election.

NORTH CAROLINA ABANDONS ACREAGE REDUCTION

Suggestions for the compulsory reduction of bright tobacco acreage in North Carolina, by Legislative action, has been abandoned following a conference with committees of four tobacco producing States.

PENNSYLVANIA CROP HIGH GRADE

TOBACCO was an excellent crop in Pennsylvania. Despite some rust damage, it was equal to that of any crop harvested in the past ten years. The dry, warm weather has been favorable for curing. According to reports, this year's tobacco crop in Lancaster County is just what the manufacturer of five-cent cigars desires.

Little change in United States tobacco prospects occurred during October. Yields reported on November 1st average better than both last year and the average for the previous ten years. The warm, dry weather prevailing throughout October was unusually favorable for the proper curing of the crop and in general good colors have been obtained. Quality, however, is somewhat below average. Among cigar tobaccos, the production of the filler class shows an increase from 80,341,000 pounds last year to 88,967,000 pounds this year, while the binder class records a decrease in production from 93,363,000 pounds last year to 85,983,000 pounds this year. The wrapper class also shows a decrease from last year, the production being estimated at 8,519,000 pounds, compared with 11,696,000 produced in 1930.

An editorial in *New England Homestead* for November 7th says: "A possible saving of some $200,000 a year for Connecticut Valley tobacco growers is seen in the result of an experiment conducted on the John B. Stewart plantation in North Bloomfield, Conn. Coke, rather than the customary charcoal, was used for fuel to cure the tobacco in the sheds. Mr. Stewart estimated that if growers were to substitute coke the fuel cost would be cut 40 per cent. In terms of dollars the saving would amount to $40 a shed, and as it is estimated there are 5000 tobacco sheds in the valley, the total saving would amount to $200,000, according to his calculations."

Production by States as reported by the Pennsylvania State-Federal Crop Reporting Service, Department of Agriculture, Harrisburg, is as follows:

State	Quality 1931 P. C.	Production Nov. 1 1931 estimate 1000 lbs.	5-yr. ave. 1925-1929 1000 lbs.
Massachusetts	88	10,152	9,969
Connecticut	91	29,296	31,319
New York	92	1,040	1,260
Pennsylvania	92	57,772	49,263
Ohio	88	52,187	37,173
Indiana	85	18,760	12,803
Wisconsin	80	47,300	41,349
Minnesota	77	2,760	.....
Missouri	82	6,458	4,335
Maryland	82	33,200	24,423
Virginia	82	112,935	121,753
West Virginia	78	6,400	6,130
North Carolina	65	490,250	450,863
South Carolina	58	74,120	73,843
Georgia	50	59,553	64,310
Florida	64	7,950	8,029
Kentucky	84	502,565	327,761
Tennessee	80	134,780	91,528
Alabama	60	375	.....
Louisiana	85	122	417
United States	75.8	1,647,975	1,357,130

GIRLS' COLLEGE PAPER BREAKS TRADITION WITH CIGARETTE ADS

BREAKING a tradition eighteen years old, the weekly students' paper of Hunter College for Women in New York City appeared a few weeks ago with two large cigarette advertisements. This is the first time in the history of the publication that cigarette advertising has been carried.

This move on the part of Hunter College students is but another indication of the changed attitude of women toward smoking, according to tobacco experts. One of the most important elements in breaking down the stigma against smoking by women, they say, has been the introduction of modern, throat-protective measures in manufacture, such as the toasting process, including the use of the ultra-violet ray to protect the delicate membranes of the throat.

Inquiries revealed that, while smoking is still banned in some Hunter College buildings, provision for girl smokers is being made in a new building, now under construction.

GOLDWATER HEADS T. S. A.

At the annual election of officers of the New York Branch of the Tobacco Salesmen's Association, held in New York on November 6th, Herman Goldwater, one of the best-known salesmen in the east, was unanimously elected president for the ensuing year, to succeed Joseph Freeman.

Monroe Potter withdrew as a candidate for first vice-president, and Benjamin Lashow was unanimously elected to that post.

Joseph Friedman was elected second vice-president and Max Berliner was re-elected treasurer, both unanimously. Leo Rieders was unanimously re-elected financial secretary, for the nineteenth consecutive term, and Harry Black was unanimously re-elected recording secretary. Henry Gottlieb was re-elected sergeant-at-arms, defeating Charles I. Lubin, who was a candidate for the post.

LORILLARD TO RETIRE DEBENTURES

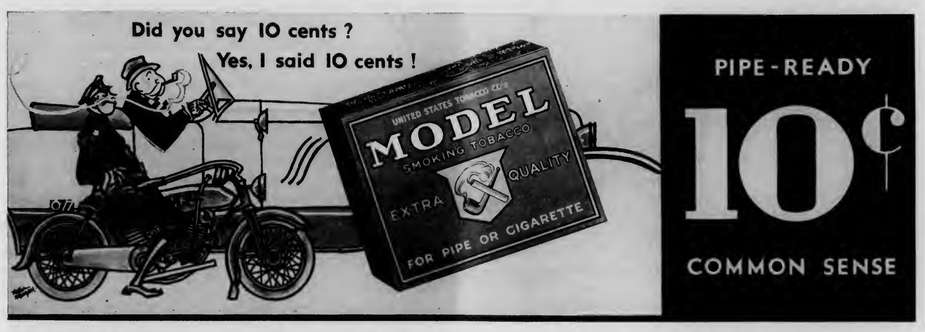
The P. Lorillard Company announced on Wednesday that it had called for redemption on January 1, 1932, all of its issued and outstanding ten-year 5½ per cent. debentures at 101½ and accrued interest.

A total of $15,000,000 of the debentures was issued on July 1, 1927.

A statement by the company said directors determined to redeem these debentures on January 1st, rather than to await the maturity date "by reason of the fact that the company will still have ample working capital after such redemption and will thereby save 5½ per cent. annual interest payments during the remainder of the ten-year period."

WALGREEN PROFITS

Walgreen Company and subsidiaries, for the year ended September 30, 1931, reports net profits of $2,045,410, after cost of sales, expenses, all charges and provisions for Federal income tax, provision for amortization of leaseholds and improvements, depreciation of buildings and equipments, etc. Net sales totaled $54,107,179.



SWEDISH MATCH CO. TO OPEN U. S. FACTORY

REPORTS from Stockholm last Monday stated that the Swedish Match Company, headed by Ivan Kreuger, has arranged to acquire the Federal Match Corporation and start manufacturing matches in the United States.

Federal Match has factories in Bloomsburg and Bellefonte, Pa.; Joliet, Ill.; Duluth, Minn., and Spokane, Wash. These, it is reported, are to be turned over to the Vulcan Match Company, a wholly owned subsidiary of Swedish Match. Vulcan Match Company is now chief distributor for the Swedish Match Company in this country.

Additional capital is to be provided, it is said, through a sale of 200,000 shares of 7 per cent. preferred stock of the Federal Match Corporation at $20 a share.

CANADIAN TOBACCO CROP SHOWS GAIN

Montreal, Quebec, November 21.

Canada's tobacco crop this year is reported as likely to total 48,230,000 pounds, an estimated increase of 31 per cent. over last year's crop, which totaled 36,716,917 pounds, according to information received by the Agricultural Department of the Canadian National Railways. Both the bright flue-cured (cigarette) and burley (pipe) tobaccos showed tremendous increases over the 1930 crop, flue-cured being estimated at over 21,000,000 pounds and the burley crop is expected to total over 18,000,000 pounds.

The Province of Ontario leads the Dominion in tobacco production by a wide margin, and this year the crop in that province is expected to exceed 40,000,000 pounds. The crop in Quebec is estimated at 7,180,000 pounds. While contributing only slightly to the total production, British Columbia's crop of 190,000 pounds is more than double that of 1930.

It is estimated that close to 5,000,000 pounds of flue-cured tobacco have been earmarked for export to the United Kingdom. This may be compared with a total of less than 2,000,000 pounds exported in 1930.

GOLDWATER JOINING McGUIGAN COMPANY

Herman Goldwater, well-known cigar salesman, and who was recently elected president of the New York Branch of the Tobacco Salesmen's Association, has resigned from his position with the Morgan Cigar Company and joined the McGuigan Manufacturing Company, of Red Lion, Pa., a subsidiary of the Federal Cigar Company, of Red Lion, one of the outstanding cigar manufacturing firms of York County, Pa.

Mr. Goldwater will act as factory representative in New York for his new connection.

TOBACCO TRADE ORGANIZATIONS

TOBACCO MERCHANTS ASSOCIATION OF UNITED STATES

JESSE A. BLOCH, Wheeling, W. Va. ..... President
CHARLES J. EISENLOHR, Philadelphia, Pa. ..... Ex-President
JULIUS LICHTENSTEIN, New York, N. Y. ..... Vice-President
WILLIAM BEST, New York, N. Y. ..... Chairman Executive Committee
MAJ. GEORGE W. HILL, New York, N. Y. ..... Vice-President
GEORGE H. HUMMELL, New York, N. Y. ..... Vice-President
H. H. SHELTON, Washington, D. C. ..... Vice-President
WILLIAM T. REED, Richmond, Va. ..... Vice-President
HARVEY L. HIRST, Philadelphia, Pa. ..... Vice-President
ASA LEMLEIN, New York, N. Y. ..... Treasurer
CHARLES DUSHKIND, New York, N. Y. ..... Counsel and Managing Director
Headquarters, 341 Madison Ave., New York City

ALLIED TOBACCO LEAGUE OF AMERICA

W. D. SPALDING, Cincinnati, Ohio ..... President
CHAS. B. WITTROCK, Cincinnati, Ohio ..... Vice-President
GEO. S. ENGEL, Covington, Ky. ..... Treasurer
WM. S. GOLDENBURG, Cincinnati, Ohio ..... Secretary

ASSOCIATED CIGAR MFRS. AND LEAF TOBACCO DEALERS

JOHN H. DUYS, New York City ..... President
MILTON RANCK, Lancaster, Pa. ..... First Vice-President
D. EMIL KLEIN, New York City ..... Second Vice-President
LEE SAMUELS, New York City ..... Secretary-Treasurer

NATIONAL BOARD OF TOBACCO SALESMEN'S ASSOCIATIONS

JACK A. MARTIN, Newark, N. J. ..... President
CHARLES D. COLEMAN, Chicago, Ill. ..... Vice-President
ABRAHAM SILETT, 1153 Herkimer St., Brooklyn, N. Y. ..... Secretary-Treasurer

NEW YORK CIGAR MANUFACTURERS' BOARD OF TRADE

ASA LEMLEIN ..... President
SAMUEL WASSERMAN ..... Vice-President

LIGGETT & MYERS REPRESENTED AT BURLEY MARKETING CONFERENCE

AT THE invitation of James C. Stone, chairman of the Federal Farm Board, Liggett & Myers Tobacco Company was represented, through W. W. Flowers, one of its vice-presidents, at a meeting called by Mr. Stone in Washington on Friday, October 30th, for a discussion of plans for the orderly marketing of the burley tobacco crop. The burley crop this year is reported to be the largest on record. It was suggested at this meeting that a committee of eight, composed of four representatives of the growers and four representatives of the manufacturers, be appointed to study the Kentucky marketing situation.

PORTO RICAN GUARANTEE LAW INVALID

IN A recent decision by the United States Supreme Court the Porto Rican Tobacco Guarantee Law has been declared void.

The law provided for the inspection of Porto Rican cigars and tobacco in Porto Rico before shipment from the island, with the intent of guaranteeing the purchaser that they contained only tobacco of Porto Rican growth and manufacture, and each parcel of tobacco, cigars, etc., so inspected and guaranteed was taxed and the revenue derived was used to expand the use of Porto Rican tobacco and cigars in this country.

Since the law was passed, many protests have been registered by cigar manufacturers and leaf growers, resulting eventually in the recent decision of the United States Supreme Court.

AMERICAN COLORTYPE SALES

American Colortype Company and subsidiaries for the quarter ended September 30, 1931, reports total sales of $1,654,211, against $1,986,777 for the same period of 1930.

Total sales for the first nine months of 1931 aggregated $6,488,874, as compared with $8,117,785 for the same period of 1930.

The American Colortype Company is the largest organization of color printers in the world, with plants in Chicago, New York, Newark, Red Oak, Ia., London, Toronto and Sydney, Australia.

MacANDREWS & FORBES' EARNINGS

MacAndrews & Forbes Company report for the quarter ended September 30, net profit of $200,234, equal to 51 cents a common share, against $273,234, or 71 cents a share, in the corresponding period last year.

WEEDING OUT TUBERCULOSIS

By H. E. Kleinschmidt, M. D., Director, Health Education, National Tuberculosis Association

TUBERCULOSIS is a weed of sluggish growth. According to our most recent knowledge, the seed, or germ, is sown early in childhood in most cases. During the grade school period, the disease may develop into the seedling stage. Doctors call this the childhood type of tuberculosis. The damage at this time is usually so slight that there are no symptoms or noticeable signs of illness.

Then when the stress and strain of adolescence come, the seedling gets its chance to grow into the weed of actual, destructive lung tuberculosis. For that reason the method employed by tuberculosis associations financed by Christmas seals is to promote educational measures to protect children and youngsters. Interest in the tuberculosis fight is now centered on the child and the youth. Prevention is easy and sure; cure is difficult and uncertain.

These fundamental facts, adapted to various groups, were given widespread publicity throughout the country during the past year. Tuberculosis associations all over the country united their voices in emphasizing this one concept of tuberculosis. The campaign caused many communities to set health machinery in motion designed to find the children in whom the seed had already taken root and to provide them with the kind of protective care that will forestall the disaster of tuberculosis in the productive period of life; namely, from 15 to 45.

This health education effort, according to the National Tuberculosis Association, aroused thousands of parents, teachers, athletic directors, and others especially interested in boys and girls, to the danger just around the corner for many a youngster. It directed their attention to the simple measures that are necessary to protect them. Posters in abundance were displayed throughout the country, and all these carried the slogan, "Tuberculosis, the Foe of Youth," and a striking picture of David, the youth, challenging the giant.

It is the plan of tuberculosis associations to continue this intensive method of health education. Part of the money raised this year by Christmas seals will finance the publicity plan for 1932. Already, the topic has been selected, and artists and writers are now busy preparing the material. The new topic gets right down to brass tacks. The slogan is, "Tuberculosis Causes Tuberculosis. Every Case Comes from Another."

Considerable success has marked the campaign against tuberculosis during the last quarter century. The death rate has been cut in half. Yet this result is not so striking as it seems, for the disease still kills more young persons than any other ailment. If we can prevent the germs being transferred from one person to another, tuberculosis will soon cease to take such a heavy toll among the young people of the nation. How this can and should be done is to be the burden of the health education campaign which will open in April, 1932.

Competition for public attention is keen. Skillful advertisers capture attention with telling arguments of all kinds. The modest but persistent voice of tuberculosis associations must make itself heard above these appeals, for everyone should have an intelligent conception of how tuberculosis begins and progresses if the disease is to be weeded out of the garden of health. Christmas seals help to pay for the tools.

CIGARETTE PRODUCTION FALLS IN OCTOBER

THE following comparative data of tax-paid products indicated by monthly sales of stamps are obtained from the statement of Internal Revenue collections for the month of October, 1931, and are issued by the Bureau. (Figures for October, 1931, are subject to revision until published in the annual report):

Products	*October*	
	1930	*1931*
Cigars (large):		
Class A.....No.	371,697,080	379,633,955
Class B.....No.	34,396,853	7,682,093
Class C .....No.	199,472,020	136,176,858
Class D.....No.	14,674,258	8,912,635
Class E.....No.	3,620,630	1,965,245
Total	623,860,841	534,370,786
Cigars (small) .....No.	32,625,093	29,317,400
Cigarettes (large) ...No.	445,912	337,542
Cigarettes (small) ...No.	10,947,129,733	8,956,374,523
Snuff, Manufactured..lbs.	3,708,299	3,642,354
Tobacco, manuf'd....lbs.	29,317,758	30,496,706

NOTE: The above statement does not include tax-paid products from Porto Rico and the Philippine Islands. This information is shown in supplemental statement.

Tax-paid products from Porto Rico for the month of October:

Products	*October*	
	1930	*1931*
Cigars (large):		
Class A.....No.	12,150,460	8,723,000
Class B.....No.	492,750	127,500
Class C.....No.	1,338,600	743,830
Class D.....No.	4,600	.....
Class E.....No.	1,000	.....
Total	13,987,410	9,594,330
Cigars (small) .....No.	1,000,000	500,000
Cigarettes (large) ...No.	300,000	.....
Cigarettes (small) ...No.	3,000,000	1,000,000

Tax-paid products from the Philippine Islands for the month of October:

Products	*October*	
	1930	*1931*
Cigars (large):		
Class A.....No.	15,778,430	16,730,985
Class B.....No.	131,207	89,287
Class C.....No.	120,104	69,458
Class D.....No.	2,050	66
Class E.....No.	18,030	5,000
Total	16,049,821	16,894,796
Cigarettes (small) ...No.	267,590	152,920
Tobacco, manuf'd....lbs.	185	45

NOTE: Quantities of tax-paid products shown in above statements are indicated by stamp sales for the month.

Supplement to the October Statement of Internal Revenue Collectors

Objects of Taxation	*First four months Fiscal year*	
	1931	*1932*
Tobacco manufactures:		
Cigars	7,170,146.72	5,796,528.54
Cigarettes	130,739,467.10	116,629,415.50
Snuff	2,364,466.27	2,434,736.71
Tobacco, chewing and smoking ..	20,594,483.42	20,901,930.77

P. LORILLARD CO., INC.
119 West 40th Street
New York City

Respectfully invite your attention to the Christmas packing of their products as follows:

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED
The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"
OPTIMO CIGARS
Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

TAMPA CIGARMAKERS STRIKE

DISSATISFACTION among the cigarmakers in Tampa factories came to a head last week when the workers struck in three of the factories. These were soon followed by workers in other factories, and by Sunday it was reported that 7000 workers had quit in the cigar factories and the strike had also spread to most of the bakeries and barber shops in the Latin section of the city. Efforts were being made by strike sympathizers to have all business houses in that section close over the week-end.

The cigarmakers walked out in protest against the arrest of a group of Communist sympathizers two weeks ago and the manufacturers' decision, made last week, to discontinue the "readers" in the factories.

The strike comes at the worst possible time for the manufacturers, when every effort is being made to maintain production at capacity in order to supply the demand for Christmas orders, and every effort is being made to effect a settlement of the difficulties.

NICKEL CIGARS GAIN IN PENNSYLVANIA

The popularity of the five-cent cigar is benefiting factories in Pennsylvania.

Manufacturers' sales of that type increased nearly $2,000,000 in October as compared with October a year ago in the Twenty-third Internal Revenue District, which has headquarters in Pittsburgh.

The Pittsburgh district's gain was in accordance with a similar trend in the First District, which has headquarters in Philadelphia, existing for several months this year, but checked for the first time in October.

Sales of five-cent cigars here last month totaled 103,545,970 cigars as against 106,179,160 for October, 1930. Corresponding figures for the Pittsburgh district were 7,133,715 for October, 1931, and 5,298,100 in October, 1930.

The decrease in sales of the higher priced cigars in the First District, evident during most of the year, was maintained during October. Only 955,750 of Class B cigars were sold by manufacturers in this district in October as against 8,503,870 in October, 1930, and Class C sales dropped from 64,211,028 to 36,976,968.

McKESSON & ROBBINS OMIT COMMON

Directors of McKesson & Robbins, Incorporated, have omitted the quarterly dividend of 25 cents due on the common stock at this time.

A statement issued by the board states: "It was decided that in view of general business conditions all earnings beyond the preferred dividends should be conserved and that the common dividend should not be declared until business resumed a more normal trend."

The regular preferred dividend was declared.

ZAGEDKIN IN DIFFICULTIES

An involuntary petition in bankruptcy has been filed before Judge Dickinson, in the case of Michael Zagedkin, trading as Michael's Cigar Store, 4364 Frankford Avenue, this city. Creditors named in the petition are George Zifferblatt & Company, $297; Congress Cigar Company, $78, and Yahn & McDonnell, $231.

A. T. CO. PREFERRED DIVIDEND

Directors of the American Tobacco Company have declared the regular quarterly dividend of $1.50 on the preferred stock of the Company payable January 2, 1932, to stockholders of record December 10th.

News from Congress

(Continued from page 8)

the annual report of Patent Commissioner T. E. Robertson, just submitted to Secretary of Commerce Lamont.

The Patent Office for a number of years has followed this policy where it was promised to expend a certain amount of capital, thereby giving employment to labor, Mr. Robertson explained. About 300 applications were given this special treatment during the fiscal year ended June 30th last, resulting in the investment of several million dollars in new capital and giving employment to a large number of persons, the exact figures on which are not yet available.

The number of patent applications received during the fiscal year showed a decline from the preceding year, totaling 84,097 against 91,430, it was reported, but as a result of increases in fees inaugurated during the year the revenues of the office, totaling $4,565,377, exceeded those of the preceding year by $468,551 and reached a new high record.

Resume Bankruptcy Investigations

Resumption by the Department of Commerce of its investigation of bankruptcies in Chicago, discontinued during the summer months, will be undertaken immediately, it has been made known.

Bankruptcies in the United States have registered an increase every year for the past ten years, it was stated at the department, and from 1906 to 1930 the total number of cases increased from less than 11,000 to more than 60,000. In response to demands of many business organizations, the department is making a series of studies to determine the cause of failure, two of which already have been completed for the retail grocery trade in Louisville and Philadelphia and another for the restaurant business in Kansas City, while a more thorough study covering all lines of trade and going into intimate details of cases has been made in Newark, N. J., and field work has been completed on 910 failed concerns in Boston.

During a period of five and one-half months of investigation of bankruptcies in Chicago, it was stated, more than 1100 bankrupts volunteered to tell their experiences, the results of the interviews being compiled for later analysis. The present work in Chicago will continue until enough interviews have been completed to permit the drawing of general conclusions. The work is being carried on by the department in cooperation with the University of Chicago.

PORTO RICAN TOBACCO YIELD HIGH

The estimated yield of Porto Rican tobacco is around 700 pounds per acre. This compares with 475 pounds per acre for Turkish tobacco, about 560 pounds per acre in Rhodesia, 475 pounds in Greece, and between 400 and 500 pounds per acre in South Africa. Shipments of Porto Rican unmanufactured tobacco to the United States in the fiscal year ending June 30, 1931, totaled 25,170,135 pounds, valued at $13,165,247.

L. & M. OFFICIALS VISIT NEW YORK

E. H. Thurston, vice-president in charge of Liggett & Myers Tobacco Company Middle West headquarters in St. Louis, and E. S. Peters, of the St. Louis sales department, have returned to that city after spending several days at the company's New York office.

ROYAL KASING FLUID

This fluid will extract the domestic taste from seed tobacco—make the tobacco burn perfectly on the leaf—improve the color and firmness of the ash—give a pleasant aroma to the smoke of the cigar—will not harm the smoker's health—will not evaporate after the cigar dries out—nor stain or discolor the leaf.

We also manufacture Rex Kasing Fluid, and Regal Kasing Fluid especially for Havana tobacco.

Eggs of the Tobacco Beetle will not hatch on leaf cased with these fluids.

The formulas from which these fluids are made were obtained in Europe through the assistance of the United States Government Chemsits.

All the above fluids are *guaranteed* to give absolute satisfaction.

For further particulars write

ROYAL KASING FLUID COMPANY

139 North Third Street, Philadelphia, Pa.

Editorial Comment

(Continued from Page 3)

would be a splendid gesture on the part of the cigar manufacturing industry if they would call upon the cigar smokers of this country to "sacrifice" the transparent wrapper on cigars for two or three months while the cigar manufacturers contribute the actual cost of the lucid covering, and the cost of applying it to the cigar, to these various unemployment funds. Since the money is being spent, and we believe uselessly, it might at this time be put to good use in helping to support the needy and to aid in maintaining the morale of thousands of worthy citizens and their families. It also might mean something in the way of education for the cigar smoker. And it might have far-reaching results, of benefit to the cigar industry.

Yes, we anticipate the reply to this visionary thought, and our answer is that the sum of such moneys contributed will far exceed that required for the unemployment it will cause. And we mean just what we stated a few paragraphs above; the actual cost of the lucid covering and the cost of the labor to apply it. We don't mean the *difference* between that cost and the savings effected in other manufacturing and packing operations which are slowly but surely contributing to the decrease in cigar sales.

And here is just one example of how the smoking public is checking up on the cigar industry.

An important executive of one of this city's largest national banks stopped us the other day and asked us if we knew that cigars were being packed in cardboard, or paper as he called it. We replied that we did.

"Well," he said, "I thought you would like to know it. I buy the X brand by the box. I bought a box the other day. When I got it home and looked at it I saw the corner was torn, and what was shown was certainly not wood. I made further investigation and found no wood in the box at all. I took the box back to the cigar dealer and showed it to him and advised him, at the same time, that I was all through with that brand. I further told him that unless he could supply me with a satisfactory brand packed in wood, I would find a dealer who would. I have smoked cigars for forty years and I won't have them in anything but wooden boxes, if I know it. It's bad enough to have their flavor strangled with this glossy nuisance of a covering without adding insult to injury by sticking them in paper boxes."

It is now 3:10 A. M., Westclox time, so so-long until next month.

CHRISTIAN JOINS HARTMAN AGENCY

PAUL CHRISTIAN has become a partner and vice-president in the L. H. Hartman Company, New York Advertising Agency.

Mr. Christian was formerly with the Consolidated Cigar Corporation as a vice-president and member of the board of directors. He also was formerly a vice-president of the Chatham & Phenix Allied Corporation.

The L. H. Hartman agency has recently been organized by L. H. Hartman, who was for nine years a vice-president and partner in Lord & Thomas & Logan, Inc., advertising agency, and from which position he resigned last July.

The Hartman agency has been appointed to direct the advertising of the Consolidated Cigar Corporation, effective January 27, 1932. The Consolidated Corporation brands include "Adlon," "Dutch Masters," "El Sidelo," "Henry George," "44," "Harvester," and "Mozart" cigars.

L. & M. MAINTAINS POSITION

Liggett & Myers has maintained its competitive position in the cigarette field in recent months, according to the *Wall Street Journal,* through the medium of an extensive advertising campaign on its product.

It is believed 1931 results will be satisfactory, and may exceed the $7.15 a share reported for 1930, due to the advance in prices effective about the middle of the year. These higher prices are expected by the management to offset the increased advertising, as well as the heavier expense because of the new wrapping now used.

TOBACCO PRODUCTS CORPORATION PLAN

A plan for voluntary distribution of the assets of Tobacco Products Corporation was considered at a meeting of directors held last week, and presented to stockholders immediately. The plan provides for approximately $10 for each share of Class A stock and approximately $7 for each share of common stock. Under the proposal, the holdings of United Cigar Stores common stock will be increased by United Stores Corporation and no stock of United Cigar Stores Company will be liquidated, it was said.

WOLF JOINS MORGAN CIGAR COMPANY

Barnett Wolf, well-known cigar salesman in the New York metropolitan district, has joined the sales force of the Morgan Cigar Company, Tampa, Fla., and will promote the sale of their brands in the future.

PHULOFAX GIVES HINTS FOR HOLIDAY TRADE

NOW is the time for all good retailers to come to the aid of their Xmas cigar business."

This is the message that Phil M. Phulofax, D. B. I., associated with Bayuk Cigars, Incorporated, of Philadelphia, is broadcasting from coast to coast through the advertising pages of this magazine. His sales messages to cigar retailers are a regular feature of this publication, but as the holiday season approaches, he feels that some special flash bulletin is very much in order.

"Christmas is just around the corner," Mr. Phulofax writes. "Now's the time to get ready for it.

"And the way to do it is to get behind and shove your box trade. 'A Box of Cigars for Father'—or Brother, or Boy Friend, or any other male who rates a Christmas present. That's the holiday season slogan for you, if you're up and doing.

"There are any number of women, and men, too, who moan every year—'What shall I get father for Christmas?' There's your answer, ready-made—a box of cigars.

"Some of the big fellows capitalize this sales opportunity in a real way. They display boxes of cigars, with prices 'per box' plainly marked on them. But many retailers fail to do this. They've gone along through the year selling father his usual brand, two or three at a time. It doesn't occur to them that, when mother goes shopping for father's present, she's not in the market for three cigars, or six, or even a dozen, done up in a loose package. No, sir; that's not her speed when December 25th rolls around.

"So what I'm particularly anxious to impress is the importance of having plenty of signs around—in windows, showcases, on counters, and any place you can think of—all quoting prices on 'Cigars by the Box.'

"There's going to be a lot of 'window shopping' this year, before final purchases are made. And it's a pretty safe bet, too, that most of the things bought are going to be things to use. Not a lot of non-essentials, but a preponderance of things that are going to fill a real need. Things to wear, things for the house—and, for the men-folk, things to smoke.

"So suggest cigars to your customer for his janitor or the superintendent of his apartment house. And for the postman, the policeman on the beat, the iceman, or anyone else who serves him during the year.

"Here's where the importance of plenty of signs calling attention to what you have to sell comes in. And, remember, it isn't going to be enough just to display the goods, or even call attention to them. *Price them.* That's the way to catch many a casual window or other shopper who might otherwise never think, for example, that a box of father's favorite brand is within the holiday budget and, besides, is likely to please him more than anything else he'll get.

"Remember—Christmas sales should be box sales. If they are, you'll find the tinkle of the bell on your cash register as merry a chime as any dozen others on old Santa's Christmas pack."

LORILLARD MEETING AGAIN POSTPONED

The annual meeting of the P. Lorillard Company, scheduled to be held on November 27th, has been postponed until December 4th. This meeting has been postponed a number of times previously, pending a decision of a New Jersey Court in reference to an injunction restraining the company from acting on an amendment to the by-laws regarding a stock bonus to employees.

TEN MONTHS WITHDRAWALS FOR CONSUMPTION

	First 10 Mos. Cal. Yr. 1931	*— Decrease + Increase Quantity*
Cigars:		
Class A—U. S. ..	3,147,076,055	+ 93,565,440
P. R. ..	115,723,955	+ 4,809,500
P. I. ...	136,268,945	+ 9,176,235
Total	3,399,068,955	+ 107,551,175
Class B—U. S. ..	157,123,073	— 182,964,156
P. R. ..	1,619,250	— 2,174,830
P. I. ...	1,082,807	— 453,353
Total	159,825,130	— 185,592,339
Class C—U. S. ..	1,150,690,054	— 352,515,656
P. R. ..	4,492,560	— 7,572,064
P. I. ...	440,906	— 464,718
Total	1,155,623,520	— 360,552,438
Class D—U. S. ..	72,988,330	— 27,265,229
P. R. ..	39,100	+ 13,500
P. I. ...	3,806	— 422
Total	73,031,236	— 27,252,151
Class E—U. S. ..	9,025,448	— 5,286,724
P. R. ..	1,500	— 1,100
P. I. ...	10,281	— 43,259
Total	9,037,229	— 5,331,083
Total All Classes:		
U. S. ..	4,536,902,960	— 474,466,325
P. R. ..	121,876,365	— 4,924,994
P. I. ...	137,806,745	+ 8,214,483
Grand Total ...	4,796,586,070	— 471,176,836
Little Cigars:		
U. S. ..	304,683,027	— 30,316,025
P. R. ..	6,500,000	+ 500,000
P. I. ...	.....	.....
Total	311,183,027	— 29,816,025
Cigarettes:		
U. S. ..	98,303,746,750	—4,694,855.804
P. R. ..	10,030,000	— 2,528,640
P. I. ...	1,610,950	— 923,860
Total	98,315,387,700	—4,698,308,304
Large Cigarettes:		
U. S. ..	4,644,424	— 1,676,140
P. R. ..	1,385,000	— 1,325,400
P. I. ...	1,700	+ 1,700
Total	6,031,124	— 2,999,840
Snuff (lbs.):		
All U. S.	34,186,672	+ 280,316
Tobacco (Mfd.):		
U. S. (lbs.)	280,404,122	— 2,776,432
P. I.	923	— 939
Total	280,405,045	— 2,777,371

A NEW KIND OF ACTOR—HE DOESN'T LIKE SPOTLIGHT

NEW YORK has found a new kind of celebrity in the person of Bing Crosby, the boy from the West, who is singing nightly on the "Cremo" cigar program at 7:15 and 11 o'clock, Eastern Standard Time, over the Columbia Broadcasting System, and whose popularity is such that he has been drafted by the stage and is appearing daily at the Paramount Theatre in the heart of the White Light district. The other night he saw his name in bright lights over a theatre, and he wasn't particularly pleased because he doesn't like the usual theatrical ballyhoo and huge electric signs. Such fame is the goal of most stage people but Bing feels much more at home without so much praise. There is nothing he can do about it however, because his audience is increasing rapidly. His original type of singing has caught the public fancy and already he has a host of imitators. Bing himself in addition to the radio and theatrical engagements has made a series of talking pictures which will soon be distributed all over the country. A pretty rapid rise for a boy who was almost unknown a few months ago.

Mr. Crosby walked into the Chemical Bank & Trust Company in New York the other day and asked the cashier to cash a check. The banker unfortunately did not know him and asked for some identification. Bing, who, in addition to broadcasting nightly on the "Cremo" cigar program at 7:15 and 11 o'clock (Eastern Standard Time) over the Columbia Broadcasting System, is appearing at the Paramount Theatre, merely pointed across the street to a twenty-foot picture of himself before the Criterion Theatre, advertising his appearance at the Paramount. Crosby, a boy from the West who was comparatively unknown a few months ago, is one of the reigning hits in New York's radio and theatrical world. Hereafter he will have no trouble cashing checks at the Chemical Bank.

TOBACCO SECURITY TRUST DIVIDEND

Tobacco Security Trust Company has declared a final dividend of 12½ per cent., less tax, on ordinary registered shares, payable December 10th to stock of record November 21st. A final dividend of 12½ per cent., less tax and deductions for expenses of depositary, was declared on American depositary receipts for ordinary registered shares, payable December 16th to stock of record November 24th. The company also declared first and final dividends of 6.85 pence on each of the 5-shilling par deferred registered shares, less tax, payable December 10th to stock of record November 21st, and on American depositary receipts for deferred registered shares, less tax and expenses of depositary, payable December 16th to stock of record November 24th.

CIGAR STORE HELD UP

Three armed bandits walked into the cigar store of Peter Brucoe, at 1100 Tasker Street, Thursday evening, forced the proprietor into a back room, rifled his pockets of $38 in cash and escaped in an automobile which they had parked in front of the place.

Brucoe reported to police that the trio, of whom he gave minute descriptions, sauntered into the shop, asked for a package of cigarettes, and then flourished guns and commanded him to walk into a rear room where he was searched. They warned him not to make an outcry for five minutes after they left, he told police.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

FOR RENT

OFFICE AND FLOORS FOR CIGAR MANUFACTURING OR STORAGE—No parking restrictions; good location; low rent; freight elevator and loading platform. Will divide. Metals Coating Company of America, 495 North Third Street, Philadelphia.

HAVANA CIGARS

OLD-ESTABLISHED CIGAR MANUFACTURING FIRM OF Hand-Made Havana quality cigars, offers fine Havana cigars in any quantity to discounting dealers, at profitable prices. Satisfaction absolutely guaranteed. If interested in first and repeated profits, address for particulars "Fair Dealing," Box 1168, Tampa, Fla.

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN. AROMATIZER. BOX FLAVORS. PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

AUSTRIA BUYS CIGARETTES FROM AMERICAN FACTORIES

CIGARETTES made in imitation of the American product are popular in Austria, according to a report recently made public by the Department of Commerce. Cigarette manufacture in Austria is controlled by the Austrian Tobacco Regie, a government monopoly. Sales of two Regie brands, made in imitation of American cigarettes, amounted to about five million last year, Regie statistics show, while approximately one million American cigarettes were imported. In the United States cigarette manufacture is left to private initiative, and under its stimulating influence modern methods of manufacture have been developed such as the toasting process including the use of ultra violet rays for the removal of certain harsh irritants naturally present in every leaf of tobacco. American leaf tobacco has also been growing in popularity in Austria, sales in 1930 amounting to 1831 metric tons as compared with 1432 metric tons in 1929. Imports of American leaf tobacco are also reported to have shown an upward trend during the current year.

EXCHANGE BUFFET EARNINGS

Reports net profit of $44,316 for six months ended October 31, compared with $220,042 for the like period of 1930. Gross profit amounted to $119,779 against $319,190. For three months ended October 31 net loss amounted to $22,143, compared with net profit of $91,822, while gross profit was $10,547, against $138,914 in the like three months of last year.

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

REGISTRATIONS

FERBSTEIN'S MILD IMPORTED ROYAL BLUNTS:—45,959. For all tobacco products. November 19, 1931. Meritas Commercial Company, Inc., New York, N. Y.

HOOFFSTETTER'S MILD IMPORTED ROYAL BLUNTS:—45,960. For all tobacco products. November 19, 1931. Meritas Commercial Company, Inc., New York, N. Y.

TRANSFERS

GRAN REINA:—18,774 (Tobacco World Registration Bureau). For cigars, cigarettes, chewing and smoking tobacco. Registered October 15, 1909, by Schmidt & Co., New York, N. Y. Through mesne transfers acquired by Wm. J. Senders, New York, N. Y., and retransferred to Jacob Rich, New York, N. Y., October 1, 1931.

KING'S CLUB:—29,178 (U. S. T. J.). For cigars, cigarettes, cheroots and tobacco. Registered August 5, 1904, by American Litho. Co., New York, N. Y. Transferred to J. W. Roberts Son, Tampa, Fla., and re-transferred to Ruy Suarez & Co., Inc., Tampa, Fla., November 3, 1931.

ANCESTOR OF ELECTRIC SIGNS COMES TO LIGHT

THE FAMOUS old Comstock lode gold mining camp at Virginia City has yielded up a unique relic, forerunner of the modern electric advertising sign, in the form of a glass cigar, about five feet long.

Constructed of 15,000 to 20,000 prisms, the glass cigar was illuminated with gaslight. Fifty years ago it advertised the local tobacconist's wares and incidentally added to the glamour of the mining camp's hectic night life when the "Comstock" was at its best. Now it emerges from obscurity as a reminder that as great a difference exists in advertising methods between the "good old days" and the present as between a bicycle and an airplane.

As drastic a change has come about in cigarmaking. Today sanitary machine methods of manufacture, according to tobacco experts, have made the five-cent cigar by far the most popular. So far have sanitary features been developed that one five-center is actually finished under glass.

The glass cigar has long since taken its place with the few surviving cigar store Indians as a souvenir of our grandfathers' advertising tastes. Nevertheless, in its day this relic added such fame to the store where it stood, that when Albert Dressler, of Berkeley, found it, older citizens of Virginia City still remembered the place.

HELME COMPANY DECLARES EXTRA

G. W. Helme Company declared an extra dividend of $2 a share in addition to the regular quarterly disbursement of $1.25, both payable January 2d to stock of record December 10th. The company has paid annual extras for sometime, although the amount has varied.

OCTOBER MAGAZINE EXPENDITURES RISE

ADVERTISING by the tobacco industry in national and farm magazines during October, and over national broadcasting networks during September, showed substantial gains as compared with the corresponding periods a year ago. The gain in national magazines was from $590,581 to $619,413, and amounted to 4.9 per cent. The appropriation for October included $544,246, or 87.8 per cent. for cigarettes; $67,792 or 11 per cent., for manufactured tobacco and smokers' supplies; and $7375, or 1.2 per cent., for cigars, according to the Business Survey Department of Dorrance, Sullivan & Company, New York advertising agents. The $50,100 which was spent by the tobacco industry in farm magazines represents an increase of 54.9 per cent. over the figure of $32,350 registered during October a year ago, and the total for both national and farm magazines increased from $622,931 to $669,513, a gain of 7.5 per cent.

This gain brings the cumulative total for these two types of advertising to $5,426,694 for the first ten months of 1931, only 0.3 per cent. behind the figure of $5,444,109 for the first ten months of 1930. Expenditures in national magazines are 2.2 per cent. behind the totals for a year ago ($5,084,944 as compared to $5,197,634), but farm magazines have registered an increase from $246,475 to $341,750, or 38.6 per cent.

The September expenditure for radio broadcast advertising over national networks continued to show the tremendous increases which have characterized this type of advertising all year. The expenditure was $479,003, a gain of 191.9 per cent. over September, 1930. For the first three-quarters of 1931 the amount spent by the tobacco industry for broadcast advertising was $3,668,812, 81.7 per cent. of the amount spent in national magazines and an increase of 149.5 per cent. over the total of $1,470,076 spent for radio during the first three-quarters of 1930.

During September the industry spent $1,059,762 for all types of national advertising, an increase of 25.9 per cent. over the September, 1930, figure of $841,766. This brings the nine months' total for all types of national advertising to $8,425,993, a gain of 33.9 per cent. over the figure of $6,291,254 for the corresponding period a year ago.

AUSTIN, NICHOLS & COMPANY INCOME

Austin, Nichols & Company, New York, report for the six months ended October 31 (two months of which is estimated), net income including $89,028 Federal tax refund, of $57,774 after depreciation, interest, etc., which is equivalent to $1.53 a share on 37,821 no-par shares of Prior A stock. This compares with net income of $65,499, or $1.58 a share, on 41,539 shares of Prior A stock in the first six months of the preceding fiscal year.

FIVE-YEAR TERM FOR EIGHTY CIGARETTES

Two burglars whose loot was four packages of cigarettes valued at 60 cents were sentenced yesterday to five to ten years each in Eastern Penitentiary by Judge McDevitt.

The prisoners, Horace Koch, forty-seven, Twenty-seventh Street near Berks, and Robert Driscoll, thirty, Thayer Street, were caught a short time after they ransacked the home of Carl Higgins, 549 South Yewdell Street, November 7th.

86.89 T558

LIBRARY RECEIVED DEC 18 1931

DECEMBER 15, 1931

VOLUME 51 No. 24

THE TOBACCO WORLD

P. LORILLARD CO., INC.
119 West 40th Street
New York City

Respectfully invite your attention to the Christmas packing of their products as follows:

LA PALINA
AMERICA'S LARGEST SELLING HIGH-GRADE CIGAR

JAVA WRAPPED
The Secret of the Blend

CONGRESS CIGAR CO., PHILA., PA.

"BEST OF THE BEST"

OPTIMO CIGARS

Manufactured by A. SANTAELLA & CO.
Office, 1181 Broadway, New York City
FACTORIES: Tampa and Key West, Florida

PUBLISHED ON THE 1ST AND 15TH OF EACH MONTH AT 236 CHESTNUT ST., PHILA., PA.

TOBACCO AGENTS FOR THE PHILIPPINE GOVERNMENT

CHARLES A. BOND
DAVID F. MORRIS

15 William Street
New York City.

September 18,1931

Mr. E.M. Henofer, Pres.,
Wooden Cigar Box Boosters Club,
216 Seaside Ave.,
Atlantic City, N.J.

Dear Sir:

For some years I have followed closely your campaign to protect the cigar industry by advocating the continued use of wooden boxes.

In this connection,permit me to say that Manila cigars are packed one hundred percent in cedar boxes. Experiments have been made with other materials in the past,but, the Manila manufacturers find that nothing can take the place of wood to preserve the quality of cigars.

It may interest you to know that the Manila trade is expanding and that shipments show a gain of about seven percent over last year. Clean, wholesome cigars, carefully packed in wood is the answer.

Respectfully yours,
C A Bond
Philippine Tobacco Agent

MANILA CIGARS *are packed.....*
100% IN WOODEN BOXES

WHEN BUYING CIGARS
Remember that Regardless of Price
THE BEST CIGARS
ARE PACKED IN
WOODEN BOXES

Volume 51

THE TOBACCO WORLD

Number 24

Established 1881
TOBACCO WORLD CORPORATION
Publishers
Hobart Bishop Hankins, President and Treasurer
Gerald B. Hankins, Secretary
Published on the 1st and 15th of each month at 236 Chestnut Street, Philadelphia, Pa.
Entered as second-class mail matter, December 22, 1909, at the Post Office, Philadelphia, Pa., under the Act of March 3, 1879.

$2.00 a Year — PHILADELPHIA, DECEMBER 15, 1931 — Foreign $3.50

TAMPA STRIKE NEARING SETTLEMENT

LAST WEEK considerable progress was made toward the settlement of the strike of Tampa cigarmakers, which has closed practically every cigar factory in Tampa for the past month.

The general strike was originally intended to last only seventy-two hours as a protest against the arrest of several communistic workers there, but when the cigarmakers returned to work they found the doors of the factories closed and the manufacturers stated that the workers would be notified when they were wanted to return to their benches.

On December 6th, following a riot at one of the factories, the Federal Government intervened in the strike with an injunction prohibiting more than 140 alleged Communist sympathizers from any activity that might interfere with the peaceful conduct of the cigar industry.

Federal Judge Akerman signed the injunction on petition of Jerome Regensburg, secretary of E. Regensburg & Sons, whose two factories were stormed by the strike supporters and considerable damage done to the properties.

Those cited, including the publishers of two Spanish-language newspapers, are enjoined from printing any seditious literature, conspiring to overthrow the Government, forming assemblies leading to the furtherance of communistic activities or intimidating any one.

They were specifically enjoined from continuing the organization known as "The Tobacco Workers Industrial Union of Tampa" under its statement of principles which encourages belief in the destruction of organized government.

The injunction also prohibited the encouragement of school children to leave their classes and to parade.

Following a conference of cigar manufacturers, the following statement was issued by them and forwarded to Mayor Chancey, of Tampa, last week:

"Recognizing the economic situation in the city, the cigar manufacturers are willing and most anxious to co-operate in every way with the city and will gladly reopen the factories for employment of such employees as they can possibly take care of at this time, provided the factories can be operated upon a basis of true Americanism and loyalty to our city, state and federal government.

"Before the manufacturers can consider reopening their plants it will be necessary for employees, forming a small committee, from the plants of Perfecto Garcia & Brothers, Wengler & Mandell, Incorporated, and Jose Escalante & Company, to call on their employers and officially withdraw pending petitions.

"The manufacturers will then gladly welcome such workmen as they can possibly provide work for at this time on a basis of open shop in all departments and on a basis of full loyalty to the government of the United States.

"The manufacturers object and refuse to recognize or in any way meet or deal with any committee from the Tampa Industrial Workers Union, or any group of communistic affiliations.

"The factories will not permit reading in the plants nor will any speeches whatsoever be permitted.

"No collections will be permitted for unions, communistic activities or any other cause—except upon special arrangement with the manufacturer, for the relief of a distressed fellow worker in the specific factory."

Last Thursday the cigarmakers held a meeting and decided to withdraw their demands so that it is expected that work will be resumed in the factories this week.

It is understood that the manufacturers asserted their willingness to reopen their factories immediately provided the cigarmakers would accept the conditions they outlined.

INCREASED FEDERAL CIGARETTE TAX WILL AFFECT PROFITS OF COMPANIES

THE recommendation by Secretary Mellon for an increase in the Federal cigarette tax from $3 to $3.50 a thousand cigarettes if effected by law would result in a net return to manufacturers, after allowance of wholesale trade discounts, of $2.54 instead of $3.04 a thousand cigarettes as at present. This would more than erase the benefits to the manufacturers from the increase in the wholesale price from $6.40 to $6.85 in June of this year. Retail prices were marked up slightly at the same time and, in view of the subsequent decline in cigarette consumption, there have been rumors that the manufacturers may return to the old price. This possibility, however, would be removed if a higher Federal tax is imposed. In addition there would be the prospect of a further increase in wholesale and retail prices.

FRANK RIGGIO TO WED MISS MARGARET BOUGHTON

Mr. and Mrs. Arthur H. Boughton, of 226 East Seventieth Street, New York City, have announced the engagement of their daughter, Margaret to Frank V. Riggio, son of Vincent Riggio, vice-president of The American Tobacco Company, and Mrs. Riggio, of 784 Park Avenue.

No date for the wedding has been set.

HOW CLASS A CIGARS GAINED IN THE FIRST NINE MONTHS OF 1931

IN the December 13th issue of the esteemed *New York Herald-Tribune* we found the following item in one of the magazine sections:

"Nickel Cigar Gain Marks Trade"

"Washington, Dec. 12.—Nickel cigars, says the Department of Commerce, make up the only major class of manufactured tobacco products showing increased output. In the first three-quarters of 1931, more than 102,000,000 five-cent cigars beyond the output during the same period a year earlier were produced. Outside this product only snuff increased in volume."

This statement undoubtedly produces in the mind of the average cigar smoker the idea that the cigar industry has been working nights for some time to fill orders.

In fact several friends unidentified with the cigar business have remarked that they have seen "by the papers" that this occupation is prospering despite unfavorable conditions.

And here we have been beating our breasts for many months, crying our agony to the hills, and supported by Government statistics have assured the industry that it is headed for the bow-wows unless it accepts our ideas of salvation.

It is a fact, however, that the statistics show that Class A cigars did increase in the first nine months of 1931 over the first nine months of 1930 by more than 102,000,000.

Actually the Class A increase in the United States was only something more than 85,000,000, the balance was made up of an increase of something more than 8,000,000 in Class A cigars from Porto Rico and a similar increase in Class A cigars from the Philippines.

Now Class A cigars are not necessarily nickel cigars. The two-for-five cents cigars as well as the three-for-ten cents come under this classification and are unquestionably increasing in sales in this year. The annual output will no doubt exceed several hundred million.

But aside from that feature of the Class A business it looks very much to us as if the 85,000,000 increase was at the expense of Class B, and that otherwise Class A would have shown a substantial loss.

The decline in Class B cigar withdrawals for the first nine months of this year was more than 156,000,000.

If our memory serves us fairly, about June 15th the "White Owl" brand changed from Class B to Class A and became a five-cent cigar.

A recent advertisement of the General Cigar Company announced that 207,000,000 "White Owls" had been sold at five cents in the past five months. This is at the rate of more than 40,000,000 a month.

Assuming that the five months referred to included October and November sales, by deducting 80,000,000 from the 207,000,000 we arrive at a figure of 127,000,000 which would represent the quantity of "White Owls" sold at five cents in the first nine months.

This would seem to indicate that if "White Owl" had not gone to five cents, Class A would have shown a loss of about 42,000,000 for the first nine months instead of an increase of 85,000,000.

While this is highly complimentary to the merchandising efforts of the General Cigar Company, the fact that the decline for all classes for the first nine months fell only a few thousand short of 385,000,000 does not improve the general outlook for the cigar industry as a whole.

CIGARETTE PACKAGING LAW AMENDMENT SOUGHT

Legislation amending the Revenue Act of 1921 so as to permit the packaging of cigarettes and small cigars in lots of 200, 300, 400, 500 and 1000, in addition to the present fixed quantities, has been introduced in the House of Representatives by Congressman McReynolds of Tennessee. (LINZ.)

The Tobacco World

Extends to its Many Friends

Sincere Good Wishes for

A Real Merry Christmas

This year you can give

FRESH

cigarettes

NEVER before at Christmas could you give what you can send to friends this year—because this is the first Christmas of Camel Cigarettes in the Camel Humidor Pack.

That means you can give the unmatched flavor of fine, clean, dust-free fragrant tobacco—in cigarettes which *stay fresh* till the last Camel in the last package has been enjoyed.

Contrast that with the bite-and-burn of dried-out or parched dry tobaccos, and you'll know why Camels make such a welcome gift.

No matter how many miles you send them, no matter if someone else happens to send Camels too—the fine Turkish and mild Domestic tobaccos in Camels will keep mild and cool and throat-easy, thanks to the *moisture-proof* wrapping which seals Camel flavor in the Camel Humidor Pack.

Be smart this Christmas. Make your shopping easy—and your gifts welcome by sending Camels straight through the list.

R. J. Reynolds Tobacco Company's Coast-to-Coast Radio Programs

CAMEL QUARTER HOUR, Morton Downey, Tony Wons, and Camel Orchestra, direction Jacques Renard, every night except Sunday, Columbia Broadcasting System

PRINCE ALBERT QUARTER HOUR, Alice Joy, "Old Hunch," and Prince Albert Orchestra, direction Paul Van Loan, every night except Sunday, N. B. C. Red Network

See local paper for time

● *Don't remove the moisture-proof wrapping from your package of Camels after you open it. The Camel Humidor Pack is protection against perfume and powder odors, dust and germs. In offices and homes, even in the dry atmosphere of artificial heat, the Camel Humidor Pack delivers fresh Camels and keeps them right until the last one has been smoked*

CAMELS

Made FRESH — *Kept* FRESH

©1931, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.

PHILADELPHIA.

ANDRUSS RETIRES FROM CONGRESS COMPANY

WILLIS ANDRUSS, general sales manager for the Congress Cigar Company, last week announced that he had tendered his resignation to that company, effective January 1st, 1932, and after that time he would retire from active business and devote some time toward the pursuit of pleasure. Mr. Andruss' announcement came as a complete surprise to his many friends throughout the country who deeply regret that the industry is to lose a man of such outstanding ability in his particular field. However, Mr. Andruss is retiring with the sincere best wishes of his many friends that whatever his aims may be in the future, that they may be fully realized.

Benjamin Paley, who has been in charge of production at the "La Palina" factories, has also tendered his resignation, effective January 1st.

Holiday business at the Congress Cigar Company has been in excess of anticipations, in accordance with prevailing conditions, and many repeat orders for holiday shipments have been received.

George B. Scrambling, of the George B. Scrambling Company, Cleveland, Ohio, distributors of "La Palina" cigars, was a visitor at Congress Cigar Company headquarters last week and reports a fine call for "La Palinas" in his territory.

UPMANN BUSINESS FAR AHEAD

John Wagner & Sons, local distributors for "Carl Upmann" cigars and "Garcia y Vega," report excellent business on these brands for the holiday trade, in fact far beyond expectations.

Ben Lumley, representative of the "Upmann" and "Garcia & Vega" brands, is in town visiting the retail trade, and reports the special Christmas bookpacking of the "Carl Upmann" brand has received a most enthusiastic reception among the trade and the factory is far oversold on this particular packing.

Alvero M. Garcia, of the Garcia & Vega firm, was a visitor at Wagner headquarters last week and reported an excellent demand for their brand, with Philadelphia territory showing a very large increase in sales over last year.

A. Reichert, manager of the Carl Upmann New York office, was also in town last week and was highly pleased with the demand for his brand.

All the brands distributed by the Wagner house are showing an excellent sales volume, with every indication of business for this year being equal to that of last year, and with a very probable increase in evidence when the figures for the entire year are compiled.

BAYUK HOLIDAY BUSINESS AHEAD

BAYUK Cigars headquarters, Ninth and Columbia Avenue, report rush orders by wire are being received daily in goodly volume for holiday shipments from all parts of the country, denoting a better spirit of optimism prevailing throughout the trade and assuring a booking of holiday business for Bayuk brands beyond their expectations.

James P. Given, Buffalo territorial manager, has been assisting the Kearney-Lehman Company, Bayuk distributors, in placing cigars for the holiday demand in that territory.

Leo Tighe, territorial manager for Bayuk's in Northeastern Pennsylvania, was a visitor at headquarters last week, and reported a good demand for their products in his territory.

The "Bayuk Phillies" bowling team is still maintaining the lead in the Cigar Manufacturers' Bowling League, with the "Havana Ribbon" team keeping a tight grip on the third rung of the ladder.

A. C. Roy, New England territorial manager, reports a very favorable demand in his territory for Bayuk products, especially for the holiday requirements.

Roy Barkman, territorial manager for the State of Michigan, is on a swing around his territory and is finding conditions favorable and very bright prospects for the future sale of their brands.

J. I. Coffing, branch manager for Bayuk's at Fort Worth, Texas, is laid up with an injury to his head and legs as the result of an automobile collision.

NINETY YEARS AGO

The *Philadelphia Public Ledger,* under the heading "Ninety Years Ago Today," states "A drayman was reported to have been 'seriously injured' the previous day by a hogshead of tobacco which 'knocked him down and ran over the whole length of his body,' but when a newspaper account of the 'sad catastrophe' was shown him in the hospital 'he jumped up in a desperate rage, cursed the steward and evacuated the premises in double quick time, as if nothing ailed him.'"

"LUCKIES are my standby"

"Luckies are my standby. I buy them exclusively. I've tried practically all brands but Lucky Strikes are kind to my throat. **And that new improved Cellophane wrapper that opens with a flip of the finger is a ten strike."**

Douglas Fairbanks Jr.

MOISTURE-PROOF CELLOPHANE *Sealed Tight Ever Right*
THE UNIQUE HUMIDOR PACKAGE
Zip— and it's open!

It didn't take **Douglas Fairbanks, Jr.,** long to live down being just "Doug's boy, Doug!" By the time the youngster had turned twenty-one on two heels, he was a fine actor and full fledged star. His new picture is **"I Like Your Nerve,"** a **First National** film.

Copr., 1931, The American Tobacco Co.

"It's toasted"

Your Throat Protection—against irritation—against cough

And Moisture-Proof Cellophane Keeps that "Toasted" Flavor Ever Fresh

TUNE IN ON LUCKY STRIKE; 60 modern minutes with the world's finest dance orchestras and Walter Winchell, whose gossip of today becomes the news of tomorrow, every Tuesday, Thursday and Saturday evening over N.B.C. networks.

★ **Is Mr. Fairbanks' Statement Paid For?**

You may be interested in knowing that not one cent was paid to Mr. Fairbanks to make the above statement. Mr. Fairbanks has been a smoker of LUCKY STRIKE cigarettes for 6 years. We hope the publicity herewith given will be as beneficial to him and to First National, his producers, as his endorsement of LUCKIES is to you and to us.

LORILLARD RESUMES DIVIDEND ON COMMON

FOLLOWING persistent rumors in financial circles, which have been heard for the past several weeks, the board of directors of P. Lorillard Company at its meeting on December 2nd declared the usual dividend of $1.75 per share on the preferred stock of the company, and in addition a dividend of thirty cents a share on the common stock of the company, each payable in cash on January 2, 1932, to stockholders of record at the close of business December 15th, 1931.

In this connection it was stated that this declaration of dividend on the common stock was the restoration of the common stock to an annual dividend basis of $1.20 a share and that it would be the desire of the directors at the end of each calendar year to pay an extra dividend on the common stock to the extent justified by the earnings of the business.

The Lorillard Company discontinued common stock dividends in 1927 following launching of their "Old Gold" cigarette on the market. It was reported last year that this brand, however, had at that time been placed on a profitable basis due to its increased popularity.

It was stated last week that after the retirement of the 5½ per cent. debenture bonds, recently called for redemption, and after payment of all bond interest together with quarterly disbursement on current common and preferred dividends, cash on hand will total between $11,000,000 and $12,000,000.

GROWER CAN CONTROL NICOTINE IN PLANT

The tobacco grower may soon be able to grow his plant with nicotine content to suit your taste or the requirements of your health, it is indicated by a report in a current issue of the *Journal of Heredity*.

Cultivation, fertilizing and breeding have been found to affect the nicotine content of the plants, the report states. And it has been found that plants of a certain strain, even though grown under different conditions and showing while growing different percentages of the drug, in the dried condition yield exactly the same amount of nicotine. It will therefore be possible to produce pure strains of any desired strength which keep the natural taste and aroma lost when the nicotine is extracted by chemical means.

It will also be possible by selection to develop strains richer in nicotine and therefore more valuable for insecticide purposes.

VANCOUVER BANS CIGARETTE AND MATCH VENDING MACHINES

The finance committee of the city of Vancouver has refused to grant licenses to a firm which sought to open a branch in that city for the purpose of operating cigarette and match vending machines. Granting of licenses was protested on behalf of the Retail Merchants' Association as being in competition with retail merchants. (Trade Commissioner E. G. Babbitt, Vancouver, Canada.)

WALGREEN SALES

Sales of Walgreen Company in November totaled $3,987,740 as compared with $4,080,413 in the corresponding month of last year, a decrease of 2.3 per cent. Sales for the eleven months of 1931 totaled $49,460,868, as compared with $46,920,365 in the corresponding period of 1930; an increase of 5.4 per cent.

PHIL M. PHULOFAX FORECASTS 1932 BUSINESS

AS IS customary at this season, outstanding figures in the business and industrial world are being widely quoted as to the outlook in their respective fields for the coming year. In the cigar industry, Phil M. Phulofax, D. B. I., long associated with Bayuk Cigars, Incorporated, is among the well-known figures whose views on the subject have been expressed in a formal statement, addressed specifically to cigar retailers. Mr. Phulofax is familiar to readers of this magazine through his frequently quoted selling tips published in the advertising columns.

"What of 1932?" Mr. Phulofax was asked.

"I'm no astrologer who reads the stars, or any other type of long-bearded prophet. My feet are planted pretty firmly on the ground. But that doesn't prevent me from keeping my eyes and ears open for any signs and portents that may be floating around in the heavens, or, more particularly, on earth. As a result, I've come to a few pretty definite conclusions as to what 1932 has in store for cigar retailers who really *work* at their trade.

"No miracles are scheduled to happen. Business conditions aren't going to change overnight from what they are to what everybody'd like to have them. But they are going to change for the better—that I'll stake my job on. Slowly, to be sure. But surely, to be equally sure.

"We've all had to steer a pretty careful course lately. And we may have to go on doing it. A good thing, too, for then we're not so likely to shoot off on a tangent, and 'shoot the works' besides.

"As I see it, if a business supplies a human need, that business is going to get its share of whatever worldly goods are in circulation. Certainly no one in the cigar industry will contradict me when I say that our industry does supply such a need. (If there is anyone in the business who doesn't agree, then he's a square peg in a round hole and doesn't belong in the cigar business.) And I believe the industry in general, and the cigar retailer in particular, will profit by his exit to the extent that he has already profited by satisfying that need.

"If we make ourselves useful, by giving the world what it wants and needs, then we're going to have the world coming to us to supply those needs.

"There are a good many tens of thousands of men in this country who smoke cigars. Each retailer has his own select group of customers. His job is to satisfy them. Speaking generally, he can do it if his stock is what it should be, if it is attractively displayed, and if his customers are properly served. He may have certain individual problems, due to location, class of customers, and the like. To solve them he may have to exercise his brain cells, but that won't do him any harm.

"When you come right down to it, there's the thing that is going to determine, finally, whether 1932 is a good year or a bad year. Business brains. We've got something to sell that the public will buy—cigars.

"It's up to us to really serve and *sell* them—not just go through the motions of doing it. If we put all we've got into our job, there's no reason under the sun that I can see why the next twelve months shouldn't produce results that will go a long way to make us cheer up and be hopeful of the future.

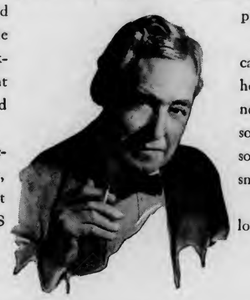
"And that's what *I* think of the prospects for 1932!"

"I'll stand by it!"

"I'll stand by tobacco...
in good times, in hard times...
all kind of times...it helps a whole lot!

"I GREW up with tobacco. Mostly I smoke cigarettes now—but I've smoked plenty of cigars, and pipes, too. And I never got anything but good from tobacco in any form—pipe, cigar, or cigarette—and that goes for every smoker I ever heard about.

"Why, I remember as a boy, way back, how the old folks in the fall used to pick and cure tobacco from a little patch they'd raised, and save out the best for their own smoking. And my father fought all through the war, and lived to be ninety.



"He'd certainly appreciate what we get today, though. Just think about these CHESTERFIELDS of mine—fine tobaccos from all over the world, and cured and blended just so; you couldn't get anything purer, or milder. Cleanest factories you ever saw, too—never a hand touching the cigarettes... everything up to date.

"A big improvement over the old ways... reckon that's why I like CHESTERFIELDS so much. I notice most of my friends get a lot of pleasure out of them, too.*

"But what I started out to say was, you can always depend on tobacco, no matter how things are going. Probably there was never anything in the world that meant so much to so many people, and cost so little, as tobacco—whatever way they smoke it.

"Yes, sir—I'll stand up for tobacco as long as I can strike a match!"

*NOTE. *In the sections where tobacco grows and where people know tobacco, Chesterfield is usually the largest-selling cigarette.*

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LIGGETT & MYERS TOBACCO CO.

NEWS FROM CONGRESS AND FEDERAL DEPARTMENTS

FROM OUR WASHINGTON BUREAU 622 ALBEE BUILDING

EXEMPTION of cigars from any increase in taxes but an increase of one-sixth of the present rates in the internal revenue levies on all other forms of tobacco and its products featured the Administration's tax program as submitted to Congress December 9th.

Decision of the Treasury not to add to the burden of the cigar branch of the industry undoubtedly was based on the known reduction which takes place in consumption under high tax rates and the efforts which the cigar industry is making to increase its sales. Approximately $70,000,000 a year additional would be derived from the increase on other products.

In addition, study of the Administration proposals discloses, the tobacco industry would be called upon for material contributions under other taxes. The new taxes, which in effect, except for tobacco, are those of the 1924 and earlier revenue acts, however, would be operative only for the next 30 months if enacted immediately.

Return to the 1924 income tax provisions would bring into the taxpaying class some 1,700,000 persons who now escape those levies, it is disclosed. Exemptions for single individuals will be reduced from $1500 $1000 and for heads of families from $3500 to $2500, while the present minimum normal rate of 1½ per cent. will be increased to 2 per cent., the normal rates on higher income being increased from 3 and 5 per cent. to 4 and 6 per cent. Surtaxes, beginning at $10,000, would have a maximum of 40 per cent. on incomes over $500,000, double the present maximum. The existing provisions for earned income, however, would be retained.

The corporation tax rate is to be increased from 12 to 12½ per cent. and the present exemption of $3000 for corporations with net incomes of $25,000 or less is to be eliminated.

Bearing heavily upon all businesses will be the stamp tax of two cents on each check or draft and the taxes of five cents on long-distance telephone and telegraph, cable and radio messages costing from 14 to 50 cents and 10 cents on messages costing in excess of 50 cents. Companies maintaining delivery services and individuals owning automobiles will be affected by the taxes of 5 per cent. on passenger cars, 3 per cent. on trucks and 2½ per cent. on automobile accessories which are to be imposed upon automotive manufacturers.

Also included in the Administration's program are taxes on radio sets and phonographs; an increase of one cent in the tax on capital stock sales and transfers; admission taxes applying to all theater and amusement tickets in excess of 10 cents; return of the estate tax exemptions and rates to their 1921 levels and imposition of a stamp tax of 50 cents per $500 or value in excess of $100 on transfers of realty.

These taxes, it was declared by President Hoover in submitting his budget message to Congress, would provide about $390,000,000 for the current fiscal year, $920,000,000 next year, balancing the 1933 budget except for the statutory debt retirement, and would balance the budget including debt retirement during the fiscal year ending June 30, 1934, at which time the taxes would be terminated.

Vigorous opposition, however, faces the efforts of the Republican minority in the House of Representatives to put the Administration's program through, with Democratic leaders determined to write their own bill which, they promise, will bear little resemblance to that advocated by the President and Secretary Mellon.

There is, as yet, a considerable difference of opinion as to how the tax problem should be attacked. Many members feel that the surtax rates on large incomes could well be increased beyond the 40 per cent. maximum now proposed. Others are opposed to any increase in tobacco taxes or the imposition of "nuisance" taxes of any sort, claiming that they will set business back still further. A third group holds that the Government should tide itself over the emergency by a bond issue and the balancing of the budget over a period of four or five years.

Re-enactment of the Fordney-McCumber tariff rates which were in effect from 1922 to the passage of the Hawley-Smoot Tariff Act of 1930 is being given serious consideration by Democratic leaders in the House of Representatives, it has been learned.

While no definite decision has yet been reached on the restoration of the old law, conferences between leaders of the Democratic party in the House and possibly with the Democratic members of the Senate are to be held within a few days.

A bill looking toward restoration of the 1922 rates was introduced in the House last session by Representative Charles R. Crisp (Democrat) of Georgia, a member of the House Ways and Means Committee, but in view of the fact that the Republicans held a substantial majority at that time nothing more was heard from the measure.

With the Democrats now in the majority and apparently able to exercise control the "situation is different," Mr. Crisp declared. However, there is considerable difference of opinion among Democratic leaders as to the type of tariff legislation desirable and some believe that there is little chance of a Democratic tariff becoming operative so long as a Republican President is in office.

(Continued on page 17)

TOBACCO PRODUCTS PLANS REORGANIZATION

A PLAN for the reorganization of the Tobacco Products Corporation of Virginia, a holding company which controls the United Cigar Stores Company and leases brand rights to the American Tobacco Company, was laid before stockholders in a letter mailed December 1st by Frederick K. Morrow, president.

The letter asked for the deposit of all Class A and common stock with a committee consisting of Percy H. Johnston, Charles S. McCain and Charles H. Sabin.

Under the plan two new companies will be formed, one in New Jersey and one in Delaware. The New Jersey company will hold the American Tobacco Company leases, and the stock of the New Jersey company will be held by the new Delaware company. The Delaware company will hold the 75 per cent. controlling interest of the present Virginia company in the United Cigar Stores Company of America.

The immediate purpose of the plan of reorganization is to reduce expenses, because United Cigar Stores is not paying any dividends on its common stock, but the ultimate purpose of the plan is to pave the way for a distribution of Tobacco Products Corporation's $51,467,309 of assets to Class A and common stockholders. The reorganization, the letter indicated, would facilitate such ultimate distribution of assets.

To Receive Debentures

The letter stated that it is "proposed that the holders of Class A stock of the present company (Tobacco Products of Virginia) will receive $10 principal amount of 6½ per cent. collateral trust debentures of the Tobacco Products Corporation of New Jersey in exchange for each share of Class A stock deposited under the plan; and that the holders of the common stock of the present company will receive $4 principal amount of such debentures plus one share of common stock in Tobacco Products Corporation of Delaware in exchange for each share of common stock deposited under the plan."

"The present Virginia company," the letter continued, "will assign to the new New Jersey company its lease agreement with the American Tobacco Company under which it receives rental payments aggregating $2,500,000 annually (subject to commutation at the election of the American Tobacco Company), together with the entire capital stocks of certain subsidiaries of the present Virginia company owning the reversionary interest in the cigarette and tobacco brands covered by the lease, in consideration of which the new New Jersey company will issue its entire capital stock to the new Delaware company, and will issue to the stockholders of the present Virginia company $35,591,235 of 6½ per cent. collateral trust debentures of the new New Jersey company, sufficient in amount to make the exchanges under the plan with the holders of all the Class A stock and of all the common stock of the present Virginia company.

"The debentures are to be dated November 1, 1931, are to mature November 1, 2022, are to be secured by a pledge of the lease agreement and the assigned stocks of the above-mentioned subsidiaries to Guaranty Trust Company of New York, as trustee, are to be amortized through annual operation of a cumulative sinking fund over the remaining period of the lease, are to be subject to redemption at the principal amount thereof and accrued interest for the purpose of the sinking fund, and are to become due and payable forthwith in case of the commutation of the lease by the American Tobacco Company prior to its maturity."

After describing the form the debentures will take the letter went on to say that the "present Virginia company will assign to the new Delaware company all its remaining assets (consisting principally of 3,964,310½ shares of common stock of the United Cigar Stores Company of America) in consideration of which the new Delaware company will assume all the liabilities of the present Virginia company, except liabilities under the lease agreement with the American Tobacco Company, and will issue to the stockholders of the present Virginia company the entire amount of its capital stock to be presently outstanding (consisting of 3,296,652½ shares, all of one class). In the course of the reorganization, the present Virginia company will be dissolved."

The letter explained that because the common stock of United Cigar Stores "is not paying dividends at present, the only function which Tobacco Products Corporation performs is to receive the income from the lease to the American Tobacco Company and to distribute the net amount to Tobacco Products Class A stockholders." It was further explained that the company pays each year to the United States Government a tax of about $300,000 on this lease, and also pays out annually considerable sums for franchise taxes, for the transfer and registration of its own stock and for administrative expenses. It is with the idea of eliminating these expenses that the reorganization is taking place.

Although the commutation value of the American Tobacco lease is $36,768,055 as of October 31, 1931, the interest of Tobacco Products in United Cigar Stores, carried on the books at $3.50, has an aggregate market value of only $7,928,620, or a little more than $2 a share.

Tobacco Products has 2,240,462½ Class A shares outstanding and 3,296,652½ common shares outstanding. The Class A is preferred as to non-cumulative dividends up to $1.40 a share annually, after which both stocks share equally in dissolution of the assets.

A certificate of incorporation for the new Tobacco Products Corporation of New Jersey has been filed at Trenton. The new company will be initially capitalized at the nominal amount of $10,000. The New Jersey company and a company to be formed in Delaware will acquire the assets of the present Virginia company, which is being organized to make savings on operating expenses.

The incorporation of the two new companies paves the way for a distribution of $37,000,000 of assets of the present Virginia company, these assets being rights leased to the American Tobacco Company, which yeld an income of $2,500,000.

NEW RULING ON CLASSIFICATION STAMP

AS A RESULT of a new ruling, approved by Secretary of the Treasury Mellon, classification labels may now be printed on cigar boxes or containers instead of pasted on, as was necessary heretofore. They may also be displayed on any part of the container, instead of on the front, as required heretofore.

Labels generally shall be "not less than 1½ inches long nor less than ¾ of an inch wide," but "in case of boxes or containers, the style or size of which will not permit compliance with the above provisions, the label may be proportionately reduced in size."

There has been much opposition to the former ruling that the classification must be placed on the front of the box, since such a stamp has been held to spoil the beauty of many of the special packages designed for the holiday trade.

Plain and Cork Tip

YES, Raleigh smokers are a bit more particular about their cigarettes and other things . . . they can afford to be. That's why they make the best customers.

Wrapped in moistureproof Cellophane

Raleigh Cigarettes

BROWN & WILLIAMSON TOBACCO CORP., Louisville, Ky.

COURT SUSTAINS LORILLARD DECREE

ON December 3d, by a vote of nine to three, the New Jersey Court of Errors and Appeals at Trenton, sustained a chancery decree, advised by Vice Chancellor Bigelow, enjoining the P. Lorillard Company from taking or receiving a vote upon a proposed amendment to the so-called bonus rule of the company and a proposed revision of two previous resolutions of the board of directors authorizing the sale of common stock to employees at prices of not less than $30 and $20 a share respectively.

The injunction was obtained by James H. Scott, Jr., of Richmond, Va., and sixteen other complainants owning about 8000 shares of the capital stock. The essence of the complaint was that under the proposed resolution officers of the company in the capacity of employees would be placed in position to buy up the bonus stock at figures substantially below its then market value.

The litigation had its inception before prices on the stock market had reached present low levels.

Ten-Day Delay Granted

On December 10th a ten-day delay of application of the order restraining the stockholders from voting on an extra dividend for officers and employees of the Lorillard Company was granted by the New Jersey Court of Errors and Appeals. The delay was requested by Shelton Pitney, counsel for the company, who sought time to determine the next course of action.

But, on December 11th officers of the P. Lorillard Company announced that, for the time being at least, they had given up the long battle for adoption of the revised bonus plan and project to sell stock to employees, and also announced that the annual stockholders' meeting had been adjourned sine die.

While no official decision was handed down by the Court of Errors and Appeals, Lorillard officers said they were adjourning the meeting on accounts published concerning the ruling.

Vice Chancellor Bigelow held that distribution of a bonus to officers on a percentage of earnings basis was illegal and constituted a special dividend. He also refused to sanction the stock sale, saying it was discriminatory.

Opposition to the proposed action of officers was headed by Scott & Stringfellow, attorneys of Richmond, Va., who represented a group of stockholders,

158 AUTOS AWARDED IN "CREMO" CIGAR CONTEST

ONE HUNDRED and fifty-eight automobiles have been awarded in the "Cremo" cigar contest between May 30th and November 30th, according to a statement received today from the American Cigar Company. One automobile is awarded each day, except on Sunday, and the winners are announced every night eastern standard time at 7:15 for the East and 11 o'clock for the West during the Bing Crosby program over the Columbia Broadcasting system. The company has announced that it will continue the award of an automobile a day, the award being based on a twenty-word advertising slogan explaining the merits of "Cremo" cigars. The American Cigar Company feels that the contest is having an important effect on industry for not only do the cigar sales keep men and women employees busy in the sanitary factories of the company, but additional men are employed in the automobile manufacturing plants. The company expressed itself as being extremely pleased at the success of the contest which is demonstrating the skill of the American people in writing advertising slogans. A great deal of this skill is attributed to the daily reading of newspaper advertisements which train readers to pick out the most forceful arguments toward making a sale.

CARE OF THROAT ESSENTIAL TO GAIN SUCCESS IN TALKIES

Care of the voice and throat being essential for success in the movies, it is not surprising that the manufacturers of "Lucky Strike" cigarettes have obtained endorsements from many moving picture stars for use in the advertisements now appearing in newspapers all over the country. Many stars of the silent films have dropped by the roadside because their voices were not adapted to the talking pictures and so it is essential that those who are daily amusing millions of people all over the world pay particular attention to their throats. The advertisements are unique in that they state that the movie stars quoted have used and still are using the cigarettes they endorse. Moreover, in addition to explaining the merits of the toasting process including the use of ultra violet rays, there is a statement that not one cent has been paid for the endorsement. This adds a sincere tone to these advertisements that cannot help but ring true in the reader's ears.

PUPILS BARRED FROM SMOKING CARS

Commuters on the Long Island Railroad have won their fight to keep smoking cars free of high school boys and girls in the morning, the railroad announced last week.

There have been many complaints that youngsters riding to Merrick Hill School crowd the regular patrons out of the smokers. The railroad consulted the Merrick school board, which pays the pupils' fare, and the board said that it was the railroad's business; anything would be all right with them. So now conductors will now hustle the boys and girls up front and see that there is no smoking there.

AMERICAN TOBACCO PROFITS UP

In a statement isued last week, George W. Hill, president of the American Tobacco Company, said the profits of the company for the first ten months of this year were greater than for the corresponding period of 1930.

Quality Is The Salesman That Builds The Reputation Of Cigar Brands

It is the quality of a cigar—its appeal to the smoker's taste—that creates cigar sales and builds brand reputation.

But how many cigar manufacturers realize that the container in which their product is packed definitely influences the smoking qualities of their merchandise?

Since the birth of the cigar industry in this country wood has been the material almost exclusively chosen to contain this product. Its favorable influence in mellowing cigars, and its protective value, have established it as the most satisfactory package yet developed.

Cigars when packed in the new AUTOKRAFT wooden cigar box will ripen in this natural container, and bring to the smoker a fragrant cigar which will give him real enjoyment.

AUTOKRAFT BOX CORPORATION
LIMA, OHIO
YORK, PA.
A NATION WIDE SERVICE

Phila., Pa.
Hanover, Pa.
Cincinnati, Ohio
Kansas City, Mo.

Chicago, Ill.
Detroit, Mich.
Wheeling, W. Va.

TOBACCO TRADE ORGANIZATIONS

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automatic

machines offer

A NEW RETAIL OUTLET

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TOBACCO PRODUCTS

Get all the facts now on automatic merchandizing.

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THE AUTOMATIC AGE

2810 S. Michigan Avenue

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CAGUAS-CAYEY IMPORTANT TOBACCO REGION

THE Porto Rican Bureau of Commerce and Industry reports that twelve cities and towns in Porto Rico are said to depend entirely upon the tobacco crop in Porto Rico for a living. Approximately 50,000 acres are planted to tobacco, and the crop averages about 30,000,000 pounds. The concentration of the tobacco industry in the Caguas-Cayey region is shown by the fact that in the city of Caguas alone no less than fourteen tobacco shops are in operation for the stripping of the tobacco leaf, employing 4000 men and women, in Cayey, three plants employ 1355 people, and in Gurabo, six plants employ 1300 workers. The town of Juncos, close to Gurabo, has eight stripping plants and these give work to close to 2000 people.

In the manufacture of cigars, however, these towns, with the exception of Cayey, which has one large factory and a number of small ones, do not figure as prominently. The largest single cigar factory, with over 1000 hands, is in San Juan, a branch of a large American company. San Lorenzo has a factory employing 226 people; Arecibo one with 218 workers. There are at least six others with 100 workers or more.

TOBACCO AND ALLIED STOCKS MEETING

A special meeting of Tobacco and Allied Stocks, Incorporated, stockholders has been called for December 29th to approve purchase of 7000 shares of the corporation's common stock, at an average cost not in excess of $24.50 a share, and to vote on reduction of capital to $1,766,666 from $2,000,000 by retiring these shares.

The letter to stockholders states these 7000 shares have been acquired at an average cost of less than $24.50 a share.

Based on October 31 closing prices of securities ownd by the corporation, this retirement shows an increase in the asset value of each of the 53,000 remaining outstanding shares of approximately $36.30 to $38.75.

MARSH APPOINTS ADVERTISING AGENCY

M. Marsh & Son, Incorporated, Wheeling, W. Va., manufacturers of Marsh Wheeling Stogies, has appointed Batten, Barton, Durstine & Osborn, Incorporated, to direct its advertising account.

The firm of M. Marsh & Son was established in 1840.

TOBACCO ADVERTISING GAINS IN NOVEMBER

EXPENDITURES for tobacco advertising in national magazines gained slightly in November as compared to the previous November, but advertising in national farm magazines showed a substantial increase and radio broadcast advertising over national networks, the October figures for which have just become available, showed a large gain. The increase in national magazines was 1.8 per cent., from $664,114 to $675,909. Cigarettes accounted for $561,579, 83.1 per cent. of the latter figure as compared to 87.8 per cent. of the total expenditure a month ago; manufactured tobacco and smokers' supplies amounted to $96,773, or 14.3 per cent. as compared to 11 per cent. last month; and cigars amounted to $17,557, or 2.6 per cent. as compared to 1.2 per cent. in October, according to the Business Survey Department of Dorrance, Sullivan & Company, New York advertising agents. The $38,600 spent by the tobacco industry in national farm magazines was a 20.1 per cent. increase over last year's figure of $32,150, while the November total for both national and farm magazines increased from $696,264 to $714,509, a gain of 2.6 per cent.

This gain brings the cumulative total for the first eleven months of the year to $6,141,203, only $830 behind the total for the corresponding period last year and practically wipes out all percentage difference between the two years. Expenditures in national magazines are 1.7 per cent. behind the totals for a year ago ($5,760,853 as compared to $5,861,748) but farm magazines have registered an increase from $278,625 to $380,350, or 36.5 per cent.

The tobacco industry continued to make increases in its appropriation for radio broadcast advertising over national networks. The expenditure in October was $512,943, a gain of 166.3 per cent. over October, 1930. For the first ten months of 1931 the total spent for radio was $4,181,755, 150.9 per cent. greater than the total of $1,662,702 in 1930.

During October the industry spent $1,182,456 in all types of national media, an increase of 45 per cent. over the October, 1930, figures of $815,557. This brings the ten months' total for all types of national advertising to $9,608,449, a gain of 35.2 per cent. over the figure of $7,106,811 for the corresponding period a year ago.

TOBACCO SECURITIES TRUST COMPANY

Final dividends of 12½ per cent. have been declared by the Tobacco Securities Trust Company on the ordinary registered shares, less tax, payable December 10th to stockholders of record November 21st, and on the American depository receipts for ordinary registered shares, less tax and deductions for expenses of depository, payable December 16th to stockholders of record November 24th.

WILL BUY AMERICAN CIGAR STOCK

Clark, Dodge & Company is making for the American Tobacco Company an offer to holders of American Cigar Company common and preferred stock, not owned by the American Tobacco Company of $100 a share for each preferred share and $80 a share for each common share. The offer expires on December 21, 1931.

RIOTS CLOSE KENTUCKY MARKETS

AT THE opening of the tobacco market in Owensboro on December 1st, approximately 3000 farmers attending the opening sales broke up the sale because of the low prices offered, and then unanimously adopted a resolution not to raise any tobacco next year.

Approximately 78,000 pounds of dark leaf tobacco had been sold at two warehouses for an average of $4.61 a hundred, about 55 per cent. of the average of $8.47 on the opening day last year when close to 500,000 pounds were sold. When the protests became threatening the sale was halted.

The farmers then withdrew and several hours later gathered at the courthouse where unanimous approval was given to resolutions to postpone sale until the following Monday, to appoint a committee to confer with James C. Stone, chairman of the Federal Farm Board, in Washington, in an effort to obtain financing for a tobacco pool, and to abandon plans for next year's crop.

At Henderson, on December 2nd, a similar demonstration was made against the low prices and sales there were also postponed until the following Monday, and the same procedure was followed at Franklin, Ky.

At Lexington, Ky., on Monday, December 7th, following the opening of the burley tobacco market, similar demonstrations were given of the farmer's dissatisfaction with the low prices offered and sales were discontinued in the morning, but resumed again in the afternoon.

The average price on early sales was between $10 and $12 per hundred pounds, compared with an average approximating $18 last year.

Fist fights, attempted arrests and haranguing marked the opening. There were no casualties outside of bruises for some of the contestants in the fights. Two of the warehouses halted auctions but sales were resumed in the afternoon. A third suspended sales for about twenty minutes and the fourth paused for about five minutes during disturbances.

Speakers in the warehouse district urged growers to meet in the afternoon in Woodland Auditorium to take action on the price situation.

Harry Weiner, Georgetown, said by police to have been the leader of the protestors, was taken away from police by his supporters after the officers had attempted to arrest him twice. At one warehouse two of the officers themselves were ejected.

At Glasgow, Ky., on Wednesday, threats of tobacco growers to destroy their crops rather than accept low prices led to the closing of the burley market.

Several hundred farmers marched from one warehouse to another demonstrating against low prices, and a small quantity of tobacco was trampled.

Prices on Wednesday were lower than the day previous, when the average was approximately $9 per 100 pounds. The growers demanded $11 to $12.

At the re-opening of the dark and burley tobacco markets at Owensboro yesterday, lower prices than at the previous sales prevailed.

The first 24,830 pounds of dark tobacco, Green River District, brought an average of $2.57 per 100 pounds, and the first 24,925 pounds of burley averaged $6.38. The averages were based on unofficial tabulations and showed the dark leaf selling about $1.50 lower and the burley $2.50 lower than at first.

Warehouse charges of 25 cents a 100 pounds for dark and 40 cents for burley have to be paid by the growers out of the proceeds of their sales.

Little apparent headway was made in efforts to organize the growers after the demonstrations that caused the sales to be suspended.

FORRISTALL, SCHWARTZ PORTO RICAN COMPANY VICE-PRESIDENTS

AT a meeting of the board of directors of the Porto Rican-American Tobacco Company held on December 3d, Philip M. Forristall, well-known sales manager of Waitt and Bond, Incorporated, "Blackstone" manufacturers, was elected vice-president of the Porto Rican-American Tobacco Company in charge of sales, to succeed Harry Catlin, who has been in charge of sales promotion for the Porto Rican-American Tobacco Company for a number of years.

Benjamin Schwartz, recently elected vice-president of the Congress Cigar Company, in charge of leaf tobacco purchases, was also elected a vice-president of the Porto Rican-American Company and will manage its leaf tobacco buying department, succeeding Fred Lederer.

Following the announcement of the resignation of Willis Andruss, sales manager of the Congress Cigar Company, effective January 1st, it was also announced that Mr. Forristall would assume the duties of sales manager of the Congress Cigar Company, and Marcus Conlin, advertising director for Waitt and Bond, will assume the same position in regard to the Congress Cigar Company and the Porto Rican-American Tobacco Company.

YAHN & McDONNELL BUSINESS NORMAL

At Yahn & McDonnell headquarters, 617 Chestnut Street, distributors of cigars, tobacco products and smokers accessories and novelties, business has assumed the usual tremendous proportions which is customary at this time of the year, and everybody is on their toes pushing out the orders for holiday business.

Their five leading brands, "Optimo," "Bering," "Blackstone," "Medalist" and "Antonio y Cleopatra" are showing a nice demand, and business for December this year is expected to equal that of last year in every respect. Many repeat orders are already being received for holiday shipments, which indicates a more optimistic feeling in the trade. When the holiday season rolls around, there is always plenty of money spent for the purpose of giving pleasure to someone else, and the retailer who is well stocked with a variety of quality merchandise is usually the one who captures the business—and the profits.

This year's "Blue Boar" holiday offering, a handsome hammered brass Bostonian humidor, retail value $7, and one pound of "Blue Boar" smoking tobacco, retail value $2.25, is being offered to the trade in a combination to retail at $5, and is meeting with a ready demand.

Yahn & McDonnell also have one of the largest stocks of high grade smokers' novelties and accessories which are selling in a big way.

Jose M. Perez, of Marcelino Perez & Company, Tampa manufacturers of clear Havana cigars, was a visitor at Yahn & McDonnell headquarters last week, en route to Tampa after spending some time in the North. Mr. Perez reported satisfactory demand for their brands.

"ROYALIST" BRAND IN DEMAND

Grabosky, Brothers, Inc., manufacturers of the "Royalist" brand, report a good steady demand for their brand with orders for the holiday trade being received in a volume which exceeded expectations. This report is in line with that of all manufacturers and jobbers in Philadelphia territory, which would seem to indicate that holiday business for this year will compare very favorably with that of last year, when final figures are compiled.

ROLLING YOUR OWN WINS SMOKERS IN MANY STATES

PRODUCTION of manufactured tobacco which includes such well-known brands as "Bull Durham" is showing an impressive increase, according to the New Orleans, La., *States*. "Smokers find it more economical to go back to their pipes, or roll their own cigarettes," the newspaper states. "The roll-your-own movement seems to be spreading in Louisiana, where there are no nuisance taxes on cigarettes; it is a great deal stronger in such States as Mississippi, which have slapped on an extra tax of four cents per package." Sales of tobacco for rolling your own cigarettes have been greatly increased during the last few months by nation-wide advertising campaigns pointing out the savings effected by making your own cigarettes. "Bull Durham" for instance has reduced its price from eight cents to five cents and its well-known trade-mark is resuming the position of importance that it held for such a long period of time before the popularity of the ready-made cigarette that followed the World War.

INCREASED FREIGHT RATES GRANTED RAILROADS

Increases in freight rates suggested some weeks ago by the Interstate Commerce Commission as a substitute for the general increase of 15 per cent. asked by the railroads were granted by the Commission December 7 when it receded from its requirement that the additional revenue so derived be pooled for distribution among the weaker roads.

The stronger carriers had opposed the proposal, countering with the suggestion that the money be loaned those roads which needed it. This counter proposal was neither approved nor rejected by the commission, with the result that the roads will be left to settle the matter of distribution among themselves.

The new rates are expected to go into effect Januanry 1 and, it is anticipated, will provide the roads with additional revenue of $100,000,000 to $125,000,000 a year. They are to be effective, however, only until March 31, 1933.

The rate increases which the Commission signified on October 20 would be approved if the roads accepted its plan for the pooling of revenues, and which now are to be made effective without that requirement, have a maximum of 10 per cent. Increases of one cent per 100 pounds on less-than-carload shipments are made on a number of fruits and vegetables, petroleum products, cement, fertilizers, turpentine and rosin, while on all other commodities the increase is to be two cents per 100 pounds, but not to exceed 10 per cent. and subject to certain other restrictions. Increases on bulk commodities are stated in dollars per car.

The brunt of the rate increases, it is indicated, will be borne by manufactured products and miscellaneous freight. (LINZ.)

CONGRESS CIGAR COMPANY TO CLOSE PHILADELPHIA OFFICES

Last week it was learned that the Congress Cigar Company offices, located at Third and Spruce Streets, will be removed after January 1st and consolidated with other offices of the parent company, the Porto Rican-American Tobacco Company, in the Essex Bank Building, Newark, N. J. There will be only a few of the present employees of the Philadelphia offices retained in the Newark offices.

PENNSYLVANIA CIGARETTE TAX KILLED

ALTHOUGH reported in our last issue that the Pennsylvania State cigarette tax of two cents on each package of twenty cigarettes had apparently been killed in a conference of leaders in the legislature, it was later reported that a compromise had been made with Governor Pinchot and that the cigarette tax would be passed.

However, on December 8th, the House Ways and Means Committee, by a vote of twenty to eight, reported negatively on the cigarette tax bill, which definitely puts the possibilities of such a tax being passed at this session as very remote.

No doubt the concerted effort of the Pennsylvania Tobacco Dealers' Association, through the medium of radio broadcasts and direct contact with retailers and jobbers throughout the State was in a large measure responsible for the defeat of this measure.

JENNY LIND IS CIGAR STORE "INDIAN"

All the cigar store Indians weren't Indians. Sometimes they were pretty ladies, famous Americans. clowns, Arabs, or other eye-catching figures, as is proven by a novel display in the Newark Museum of Newark, N. J.

The museum has discovered that the old-time wooden figures represent a genuine American folk-sculpture, and has thereby elevated an advertising medium to the dignity of art. According to critics, some of the old wooden figures show true, if unschooled artistry of farmers, sailors, carpenters, and blacksmiths. They were appreciated, too. Many of them fetched prices of hundreds of dollars.

As a method of advertising, the cigar store Indian has given way to live, informative advertising that reaches the whole public through newspapers and other means. Those remaining are reminders of a change in our cigar taste—a change for the better, since it includes the introduction of machinery in cigar-making, and the growth in popularity of the sanitary five-cent cigar, one brand of which is actually finished under glass.

Most of the cigar store figures have gone for firewood, and the survivors are looked upon as antiques. Among the figures gathered at the Newark Museum by diligent search are a "Jenny Lind" and a Canadian trapper. The "Swedish Nightingale" is coyly lifting the hem of her skirt to display a lacy petticoat, while with the other hand she boldly proffers a bunch of cigars.

C. A. PENN ESTATE $4,000,000

The will of the late Charles A. Penn, vice-president of the American Tobacco Company, who died on October 12, was probated in the Rockingham County Superior Court, Wentworth, N. C., on November 28th. Although no inventory of the estate was filed with the will, it was reported that Mr. Penn's estate had an approximate value of $4,000,000.

He left the property in five parts, to his widow, Mrs. Stella Penn, and his four children, Edrington, Charles Ashby, Frank R. and Miss Virginia Anne.

He also endowed Pennrose Country Club, Reidsville, N. C., and Monkey Island, his eastern Carolina shooting preserve, with the income from 2000 shares of American Tobacco Company stock.

News from Congress

(*Continued from Page 10*)

Court to Decide Legality of Utah Cigarette Advertising Law

Constitutionality of the Utah statute prohibiting billboard advertising of cigarettes, cigars or tobacco will be determined by the United States Supreme Court which, on November 30, consented to review a decision of the Utah courts upholding the law.

The case was brought by the Packers' Corporation, convicted of violating the law by displaying billboard advertisements of cigarettes, on the double ground that, first, the law is discriminatory in that it permits tobacco and its products to be advertised in newspapers and other ways and, second, the advertisements which formed the basis of the case were shipped to Utah from Ohio, the statute thus interfering with interstate commerce.

Growers File Protest on Sumatra Ruling

Protests against the ruling of Secretary of the Treasury Mellon that Sumatra wrapper tobacco may be imported into the United States were filed with the Treasury Department December 3d by tobacco growers from the Connecticut Valley, Florida and Georgia.

Accompanied by members of Congress from their various districts, the growers met with officials of the department, to whom they protested they could produce a sufficient supply of wrapper of the quality of Sumatra to meet the demands of the American cigar industry. They were given time in which to file briefs supporting their contentions.

Under the tariff act of 1930 the products of forced and indentured labor are barred from the United States after January 1st, next, if there is a sufficient production of similar commodities in this country. The Treasury Department, after hearings, held that the domestic production of cigar wrapper was insufficient and also made known that assurances had been received from the Sumatra growers that free labor only would be used in the production of their tobacco.

Revision of Bankruptcy Laws Urged by Attorney General

Revision of the bankruptcy law along the lines suggested by Chief Justice Charles E. Hughes of the United States Supreme Court as chairman of the Judicial Conference of Senior Circuit Judges in October is strongly urged by Attorney General Mitchell in his annual report to Congress.

Since July, 1930, he points out, an exhaustive investigation has been conducted by the Department of Justice into the operations of the bankruptcy law. "This work has been carefully and thoroughly done," he declared, "and the report will shortly be submitted to the President, at whose direction the investigation was undertaken.

"The present bankruptcy law," the Attorney General asserted, "has failed to achieve its purposes. It has not insured a prompt and efficient realization and pro rata distribution of assets of insolvent debtors, and it has not discouraged commercial fraud and dishonesty by denial of discharges. There are obvious defects in the administrative processes. In order that they may be presented concretely, the conclusions reached as a result of this inquiry have been embodied in proposed amendments to the existing bankruptcy law. It is not likely that the Congress will ever have available to it more thorough and exhaustive information as to the operations of the present statute than has been obtained by this inquiry."

The report shows that during the fiscal year ended June 30th last, 178 cases were instituted under the criminal features of the bankruptcy act, 197 were disposed of with 108 convictions and 87 pleas of guilty, and 320 were pending at the close of the year.

Kentucky Congressman Seeks Revision of Tobacco Taxes

Amendment of the present scale of tobacco taxes is sought by Congressman Chapman of Kentucky in a bill introduced in the House of Representatives in which he provides for a rate of $1.50 per 1000 on cigars weighing not more than three pounds per 1000.

On large cigars, the rates would be $4 per 1000 if retailing at not more than five cents each; $6 per 1000 on those selling at from five to eight cents; $9 per 1000 on those selling at between eight and fifteen cents; $12 per 1000 if selling at between fifteen and twenty cents, and $15 per 1000 when selling at more than twenty cents.

The rate on cigarettes weighing not more than three pounds per 1000 would be $2 per 1000 and on heavier cigarettes would be $4.80 per 1000.

The rate on tobacco and snuff would be fixed at twelve cents per pound.

Classified Column

The rate for this column is three cents (3c.) a word, with a minimum charge of seventy-five cents (75c.) payable strictly in advance.

FOR SALE

FOR SALE—APPROXIMATELY 70,000 POUNDS, PACKED WEIGHT, Southern Wisconsin tobacco—3 to 12 years old. L. G. Anderson, 2127 Iowa Street, Chicago, Ill.

FOR RENT

OFFICE AND FLOORS FOR CIGAR MANUFACTURING OR STORAGE—No parking restrictions; good location; low rent; freight elevator and loading platform. Will divide. Metals Coating Company of America, 495 North Third Street, Philadelphia.

HAVANA CIGARS

OLD-ESTABLISHED CIGAR MANUFACTURING FIRM OF Hand-Made Havana quality cigars, offers fine Havana cigars in any quantity to discounting dealers, at profitable prices. Satisfaction absolutely guaranteed. If interested in first and repeated profits, address for particulars "Fair Dealing," Box 1168, Tampa, Fla.

OUR HIGH-GRADE NON-EVAPORATING
CIGAR FLAVORS
Make tobacco mellow and smooth in character and impart a most palatable flavor
FLAVORS FOR SMOKING and CHEWING TOBACCO
Write for List of Flavors for Special Brands
BETUN, AROMATIZER, BOX FLAVORS, PASTE SWEETENERS
FRIES & BRO., 92 Reade Street, New York

Tobacco Merchants' Association Registration Bureau, 341 Madison Ave. NEW YORK CITY

Schedule of Rates for Trade-Mark Services Effective April 1, 1916.

Registration,	(see Note A),	$5.00
Search,	(see Note B),	1.00
Transfer,		2.00
Duplicate Certificate,		2.00

Note A—An allowance of $2 will be made to members of the Tobacco Merchants' Association on each registration.

Note B—If a report on a search of a title necessitates the reporting of more than ten (10) titles, but less than twenty one (21), an additional charge of One Dollar ($1.00) will be made. If it necessitates the reporting of more than twenty (20) titles, but less than thirty-one (31), an additional charge of Two Dollars ($2.00) will be made and so an additional charge of One Dollar ($1.00) will be made for every ten (10) additional titles necessarily reported.

TRANSFERS

COMMERCIAL CLUB GEMS:—43,092 (T. M. A.) For cigars. Registered February 5, 1923, by Nathanson Bros. Cigar Stores Co., Minneapolis, Minn. Transferred to Masterpiece Cigar Co., Grand Rapids, Mich., November 20, 1931.

LA PERLA DEL ORIENTE:—86,535 (U. S. Patent Office). For cigars and cigarettes. Registered May 14, 1912, by Carl Ingenohl, Antwerp, Belgium and Manila, P. I. Transferred to Walter E. Olsen & Co., and re-transferred to "El Oriente," Fabrica de Tabacos, Inc., Manila, P. I., in 1923. (The latter being the successors to Walter E. Olsen & Co.)

REYNOLDS PRESIDENT EXPLAINS FACTS TO ROTARIANS

IN an address before the meeting of the Rotary Club of Greenville, N. C., on Monday evening, November 30th, S. Clay Williams, president of the R. J. Reynolds Tobacco Company, grasped the opportunity to explain some of the current fallacies in the minds of the laymen regarding the tobacco and cigarette industries.

Mr. Williams said in part:

"If there be a sound reason for my assuming to talk to a group of North Carolina business men, it is incumbent upon me to prove that reason by disclosing to you certain facts which you have not had opportunity to learn, or by passing in array before you certain facts with which you are already familiar, as useful to you in your thinking and in your work upon things which have a measure of importance for you either in your private affairs or in your relationship to public matters and to the public welfare.

"Naturally, what I shall say will bear the very distinct flavor of tobacco. But I count that no fault in a city whose markets have already sold more than fifty-four million pounds of tobacco this season. Nor do I think it should be a matter of offense at any point in a State, one-third of whose population is directly dependent in whole or in part, for livelihood upon the growing, selling or manufacturing of tobacco. . . .

"I just want to make this one suggestion with respect to every man in North Carolina who believes or says, directly or by insinuation, that he believes that the tobacco manufacturers of this country have fixed the price of leaf tobacco on your markets: That man who thinks or says that is not doing his duty as a citizen of the state or as your neighbor when he thinks that, or talks that, and does nothing more. There is a law on the federal books that makes the fixing of the price in the way suggested a crime—a penitentiary offense. The United States Government has a Department of Justice with hundreds of attorneys and prosecutors and investigators. The government also has a Federal Trade Commission which also carries an enormous staff of investigators and prosecutors. These departments and their organizations are available for and are chargeable with the duty of enforcing the law of which I speak. Without cost they are at the service of your neighbor or mine who thinks or says that the present low price of tobacco on your markets was brought about through an agreement of the companies to limit the price. If, therefore, your neighbor or mine thinks or says that the price has been thus limited, I say to you—and I believe you will agree with me—that that man has not discharged his duty when he says the price has been fixed and then balks at going further and using every means in his power to have those who fixed it indicted and prosecuted and imprisoned. If the conditions which prevail among the growers of leaf tobacco in North Carolina today have been brought about or contributed to by any such illegal action or agreement on the part of the tobacco manufacturers of this country then I'll join you in saying that that act ought not to go unpunished for one day longer than is absolutely necessary. And I say earnestly to every man that so thinks, or so says, that it is his duty to proceed immediately to effect that indictment and inflict that punishment. It is not enough that he should think that thing, and preach it, and do nothing about it. He owes it to you and to every other citizen of North Carolina to go forward.

"I add this suggestion: If every time you see that suggestion or hear it made you will demand of the maker that he go forward with his charge and have it investigated and tried and determined, you will learn something about whether it is being made in good faith and because it is believed, or whether, on the other hand, it is being used simply as that man's idea of an effective tool with which to do political agitating that might redound to somebody's selfish personal benefit. The people of North Carolina, in the handling of the various problems they meet in trying to make their state exactly what they want it to be, are entitled to have every charge and every suggestion brought before them. They are entitled to have every such thing investigated and determined. They are entitled to pass their own judgment on anything that affects their state or its welfare or theirs. But I make the guess that you'll join me in putting a question on the propriety of any man's using, for purposes of agitating his less well informed neighbors and misleading them about important matters affecting them and their state, any false criminal insinuation or charge which he is unwilling to press.

"But when the leaf situation is laid out and looked at in the light of the facts that clear it up, there is another argument that is immediately brought to the front. When the case that would be made against us on account of the leaf tobacco price fails, the answer is: 'Well, anyhow, R. J. Reynolds Tobacco Co. is too prosperous.'

"I'll agree at this point that if R. J. Reyonlds Tobacco Co. is standing up today in the face of this depression through having thrown down its fellow citizens here in North Carolina or through having brought about their distress, then there would at least be something of justice in an attitude that would pull down that which for its own upbuilding and security had pulled its neighbors down. Even under those circumstances the pulling down process might not be sound economic practice either for the state or for its citizens, but no one could deny that it would be poetically fair and just. However, I have yet to find the first thinking man in North Carolina who is willing to look at the facts and say that R. J. Reynolds Tobacco Co. is responsible for that wave of depression which has swept so many things in North Carolina before it.

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